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Republicans Welcome Budget Step By Clinton

But They Threaten Another Shutdown If Talks Stall Again

By Brian Knowlton
International Herald Tribune

WASHINGTON — Congressional Republicans said Sunday that President Bill Clinton had taken a "step in the right direction" by offering a seven-year balanced budget proposal and signing legislation to reopen the government, but they warned of a new shutdown within weeks if budget talks stalled again.

The end of the government shutdown — which had become increasingly disruptive as it reached a record three weeks — came just ahead of a blizzard that dumped dump more than a foot (30 centimeters) of snow on Washington.

The storm forced Mr. Clinton to postpone a budget meeting scheduled for Sunday with congressional Democrats, and it appeared certain to keep the newly reopened federal offices closed Monday.

On Saturday, Mr. Clinton signed legislation to return federal employees to work, at least until Jan. 26. Both houses of Congress had passed bills Friday to send 280,000 furloughed employees back to work and pay 480,000 others who had been working without pay.

The reopening is a selective one, however, returning employees to the payroll but not funding all their agencies.

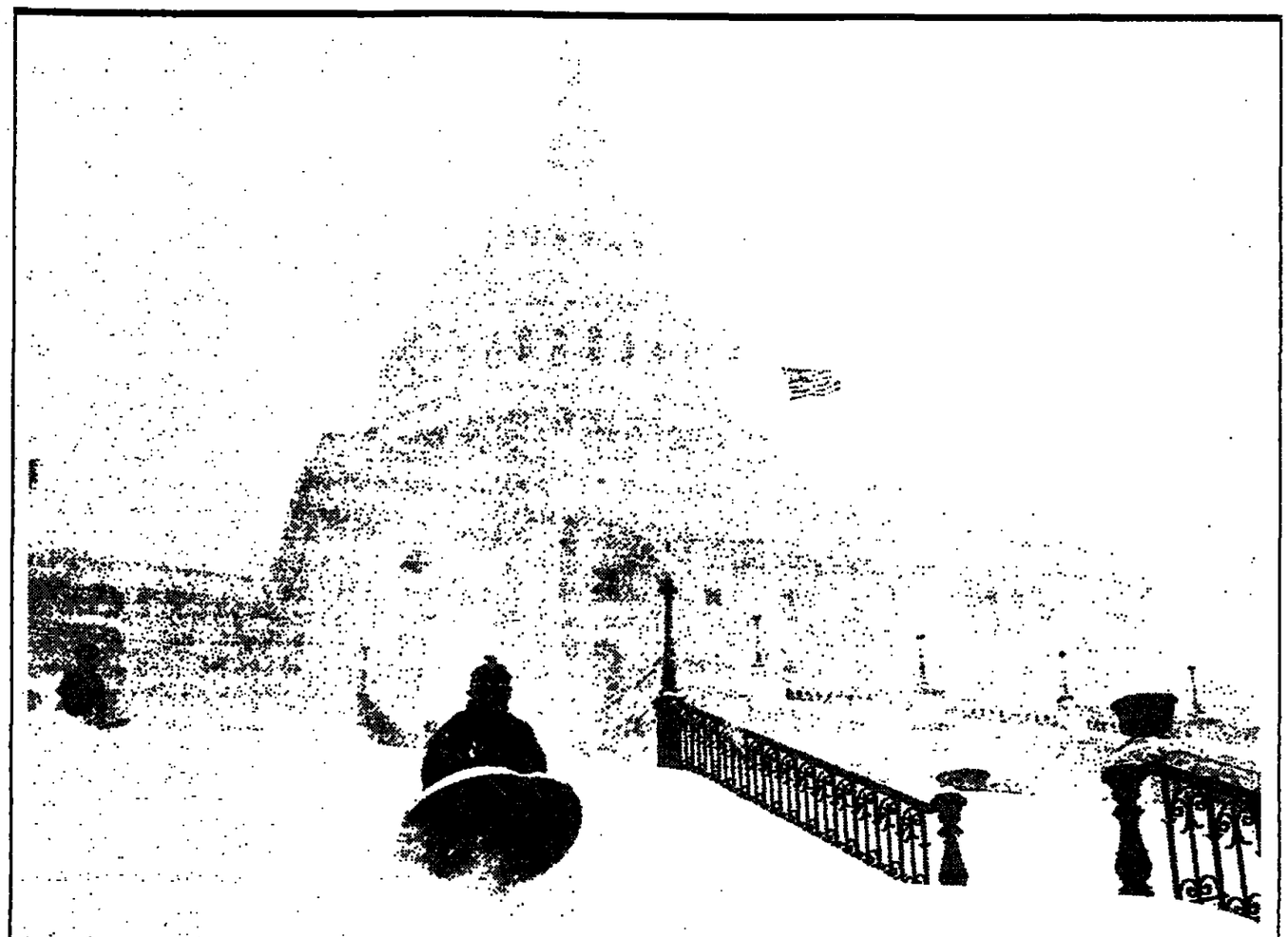
Representative Thomas D. DeLay, the House majority whip, made it clear Sunday that this weapon would be wielded in partisan fashion: "We are going to fund only those programs we want to fund," he said in a television interview.

While welcoming the fact that Mr. Clinton had offered a budget plan, both sides said it did not mean agreement was in sight.

"It is a step in the right direction," said Representative John Boehner of Ohio, chairman of the House Republican conference, "but we're a long and far way apart."

Republicans said the president's plan would spend far too much on such social

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Cameron Cruig/The Associated Press

CLOSED BY SNOW — A youth sliding on the Capitol steps Sunday in Washington. A snowstorm of 'historic proportions' hit the East Coast. Page 3.

Parties' Pact Clears Way In Japan for Hashimoto

The Coalition Adopts Goal of Streamlining U.S. Bases in Country

Compiled by Our Staff From Dispatches

TOKYO — Japan's governing coalition agreed to a policy platform on Sunday, clearing the way for Trade Minister Ryutaro Hashimoto to become prime minister in the next few days, party officials said.

The talks among Mr. Hashimoto's Liberal Democratic Party, the Socialists of the outgoing prime minister, Tomiichi Murayama, and the Sakigake Party of Finance Minister Masayoshi Takemura followed Mr. Murayama's sudden announcement Friday that he was stepping down in favor of a new government to be formed under Mr. Hashimoto.

"We have agreed on the policy platform," said Koichi Kato, secretary general of the Liberal Democratic Party. "We will aim to nominate Mr. Hashimoto at a meeting of the three party leaders on Monday."

The platform is based on an agreement concluded in June 1994 when Mr. Murayama became prime minister. It contains references to Japan-U.S. security ties and other new issues that dogged Mr. Murayama's term in office.

Demand is growing in Japan for speedy elections. Page 7.

The coalition spelled out these major policy goals:

- Promote streamlining and reducing U.S. military bases in Okinawa without jeopardizing Japan's security ties with the United States.
- Streamline military forces and increase efficiency.
- Cautiously seek to win a permanent seat on the UN Security Council.
- Ensure that financial institutions take full disclosure steps. Try to recover debts from ailing private mortgage firms, known as Jusen, and clarify the responsibilities on the issue.
- Take quick steps to conduct a broad review of the nation's current financial structure built around the Finance Ministry, and to create a fresh financial system with greater transparency.
- Aid victims of terrorism by the doomsday cult Aum Shinrikyo and study ties between politics and religion in general.
- Promote steps to normalize Japan's ties with North Korea.

Mr. Hashimoto, 58, was expected to be formally named prime minister at a special session of Parliament on Thursday. The coalition formed 19 months ago holds a solid majority in both houses of Parliament.

One of the key agreements among coalition members was the decision to adopt measures to streamline U.S. bases in Japan, about which feelings have been inflamed by the rape of an Okinawan schoolgirl by three U.S. servicemen last September.

Japan and the United States had planned last November to renew their commitment to their bilateral security treaty and announce a new security policy framework.

But this was scuttled when President Bill Clinton canceled a state visit to Japan due to his own domestic budget crisis. *(Reuters, AFP)*

After Skirmishing, Showdown Time Is Here

By Ann Devroy
Washington Post Service

WASHINGTON — With the fate of government workers no longer in the equation, the central issue obscured by the three-week shutdown of the federal government may well be quickly determined: Will the heart of the Republican agenda become law or merely part of the political landscape on which the 1996 presidential and congressional elections are fought?

A senior Republican described the budget negotiations scheduled at the White House Monday as "Come-to-Jesus" sessions, after endless tactical skirmishes. A senior Democrat called them "the end of the endgame."

That is because the two main antagonists, Newt Gingrich, the House speaker, and his troops and President Bill Clinton and his, have reached rough

NEWS ANALYSIS

agreement on alternative scenarios for how the talks will end. Either an agreement is reached to balance the budget in seven years or an agreement is reached that no accord is possible, leaving the government operating at reduced spending levels with few fundamental changes and each side making its case to the voters.

A senior administration official said that if the talks produce an agreement on big issues, the leaders expect to spend time with their respective congressional caucuses to determine if their direction would produce enough votes to be realistic, then return to the White House later for more talks.

Both Mr. Gingrich and Mr. Clinton told associates that they sensed a new, more conciliatory attitude, but that was before Representative John R. Kasich of Ohio, chairman of the House Budget Committee, said in a television interview that despite the soothing words from Mr. Gingrich and Senator Bob Dole, the majority leader, he did not see any evidence of White House interest in a legitimate budget deal.

The White House, in some form or another, may put forward a seven-year balanced budget proposal from Senate Democrats that is based on an economic analysis by the Congressional Budget Office, which fulfills a central Republicans demand for "honest numbers."

If Mr. Clinton does that, and the Re-

See AGENDA, Page 7

Serbs in a Be-Nice-to-Americans Mood

By Rick Atkinson
Washington Post Service

LOPARE, Bosnia — When several dozen heavily armed U.S. paratroops swooped into this Bosnian Serbian garrison town for the first time last Thursday night, Lieutenant Colonel Slavenko Ikonic knew just what to do. He played the perfect host.

Colonel Ikonic, deputy commander of the 3d Brigade East Bosnian Corps, billeted the American soldiers amid the nude mannequins and empty shelves of Lopare Emporium, a bankrupt department store. He treated their commanders to a dinner of veal and potatoes at the Hotel Majevica.

And after pledging cooperation with NATO forces and pinpointing minefields on a map, he offered the U.S. officers a plum brandy toast and a small token of friendship: a 1996 pocket calendar adorned with a smiling picture of

NATO forces under fire. Page 5.

his boss, General Ratko Mladic, the commander of Bosnian Serbian forces, who has been charged with war crimes by the International War Crimes Tribunal in The Hague.

It is a hearts-and-minds kind of thing in Bosnia these days. Throughout the northeastern region where American troops have taken charge, the once warring Serbian, Muslim and Croatian factions are taking great pains to be nice to their occupiers, vying with one another to prove benign and helpful. Similarly, the Americans are taking equal pains to be benevolent visitors.

Even as trouble brews in Sarajevo and Mostar, the U.S. occupation of northeastern Bosnia has entered its third week amid signs that Operation Joint Endeavor may be more peaceful, at least in the American sector, than planners dared hope.

"The Serbian people welcome you," Lieutenant Colonel Milos Delic, anoth-

See BOSNIA, Page 7

AGENDA

Jordan Will Receive U.S. F-16s

AMMAN, Jordan (Reuters) — Defense Secretary Willam J. Perry offered Jordan a U.S. military package on Sunday that includes 16 F-16 fighter-bombers.

Mr. Perry, speaking after a meeting with King Hussein, said the aircraft included 12 F-16A models and 4 F-16B models. The secretary said he was making good on a promise to King Hussein during talks in September in Washington. The package includes spare parts, training and support.

"The offer has been made and it has been accepted with deep appreciation," King Hussein said.

In Today's Trib

U.S. Stock Market Review

The final prices for all major markets.

Starting on Page 13.

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EUROPE Page 5. *Major Tells Tories to End Feuds*

Beyond Minitel: France on the Internet

By Barry James
International Herald Tribune

PARIS — Fifteen years ago, France briefly took the lead in the race to develop the Information Society, offering its citizens simple video terminals with basic keyboards that used phone lines to connect with a nationwide teletext system.

Today, there are Minitel terminals in more than 6.5 million French homes and offices, but France never managed to capitalize on its lead in the technology or persuaded other countries to buy the system.

Worse, by concentrating all its efforts on the Minitel, the country lost ground in exploiting the Internet, with the result that the global system of interlinked networks is dominated by the English language.

This week, in an important change of policy, France Telecom, the state-owned telecommunications monopoly, will announce plans to become a mass-market Internet operator.

While a monthly connection charge for the service has not been announced, netsurfers will be able to connect with the Internet for the price of a local phone call, with a maximum fee of 74 centimes every two minutes ($4.50 an hour) from anywhere in France.

France Telecom is not giving up on its investment in Minitel, however. The company believes that the teletex system will continue to meet the needs of most users in France for many years.

Long before the Internet existed as a mass phenomenon, France thought that its system would "end paper" and rival the railways and aircraft as a world revolution. Why, then, did it fail to export it?

"We tried," a France Telecom spokesman said.

"But we could never find the same

See MINITEL, Page 7

Newsstand Prices

Andorra	10.00 FF	Morocco	14 Dh
Antilles	12.50 FF	Qatar	10.00 Riels
Cameroon	1,600 CFA	Réunion	12.50 FF
Egypt	£E 5	Saudi Arabia	10.00 R.
France	10.00 FF	Senegal	1,100 CFA
Gabon	1100 CFA	Spain	225 PTAS
Greece	350 Dr.	Tunisia	1,250 Din
Italy	2,800 Lire	Turkey	T.L. 60,000
Ivory Coast	1,250 CFA	U.A.E.	10.00 Dirh
Jordan	1,250 JD	U.S. Mil. (Eur.)	$1.20
Lebanon	US$ 1.80		

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Plenty of E-Mail for the Pope

200,000 Use Vatican Internet Site on First Day

By Celestine Bohlen
New York Times Service

ROME — On Christmas Day, somewhere in the United States, a young girl named Sarah who was using a computer logged on to the Vatican's new World Wide Web site on the Internet and sent an on-line message to the Pope.

Like millions of others, she had just watched a visibly ill Pope John Paul II interrupt his televised Christmas message, and she wanted to pass on her father's remedy — "lots of liquids, and chicken broth" — for getting over the flu.

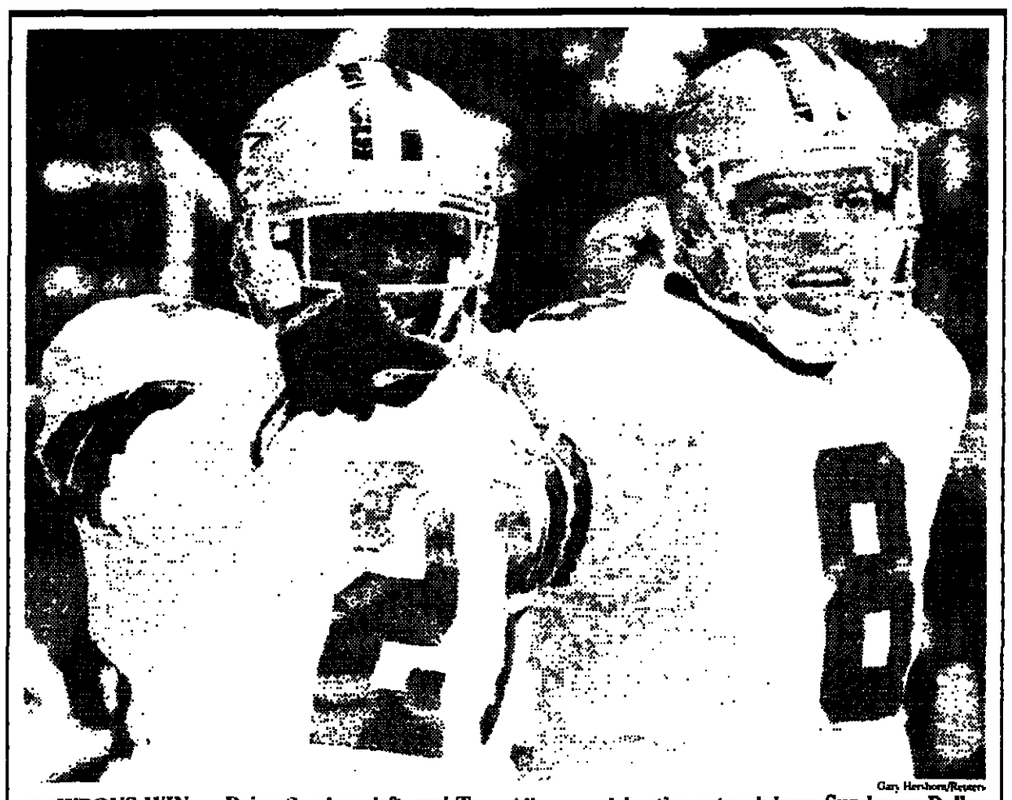
In the nearly two weeks since the Vatican inaugurated its electronic hookup, more than a million people have logged on to http://www.vatican.va/ — a computer address that promises to be the next pulpit for the Pope, who has already established himself as a television star and best-selling author.

Most of the initial users — 200,000 in the first 24 hours — availed themselves of the on-line service to read the texts of recent papal messages, which have been translated into six languages.

E-mail offers immediate access, and for many Roman Catholics the prospect of a direct line to the Pope is a temptation not to be resisted.

"I don't know if this is a prayer line or not, but I figure this is the closest I'll get to the Vatican and to asking the Pope to say a prayer for my father-in-law,"

See NET, Page 7



Gary Hershorn/Reuters

COWBOYS WIN — Deion Sanders, left, and Troy Aikman celebrating a touchdown Sunday as Dallas beat Philadelphia, 30-11, and advanced to the NFL conference championships against Green Bay. Page 22.

Drugs and Politics /**Suspicion of Corruption**

U.S.-Colombia Ties: New Low

By Douglas Farah
Washington Post Service

BOGOTA — Relations between the United States and Colombia are at their worst in years.

U.S. officials, who have long suspected that President Ernesto Samper's election campaign received millions of dollars in drug money, are now convinced that the government is under the influence of the drug cartels, according to Colombian and American officials.

Tension in relations with Colombia has been palpable since Mr. Samper's election under shadow of allegations that his presidential campaign received up to $6 million from the drug mafias.

When the financing scandal erupted in August 1994, just days before Mr. Samper took office, he said that if drug money did enter his campaign it was without his knowledge or consent. But even before his election, American officials and officers of the U.S. Drug Enforcement Administration were saying there was evidence that Mr. Samper's campaign was taking drug money.

Relations fell to a new low last month, when a Colombian congressional committee decided to halt investigations into Mr. Samper's election finances. At the same time, the Colombian congress tried to pass — with at least the appearance of support from Mr. Samper — a law written by Calí cartel lawyers that would have gutted investigations into drug-related government corruption.

Following that, the Samper government said it would seek to reduce the role of "faceless judges" in handling drug trafficking cases. Until now, the identities of investigating magistrates have been secret to make killing, intimidation or bribery of the judges more difficult.

American officials said developments make it unlikely that Colombia will be certified by the State Department this year as a country that is earnestly fighting drug trafficking.

The U.S. decision will be announced March 1. Last year, for the first time, the State Department declined to certify Colombia, but issued a waiver on national security grounds that essentially nullified the non-certification. The loss of certification would cost Colombia trade preferences worth millions of dollars.

U.S. officials recently have been unusually outspoken, which has led to a growing anti-American sentiment here. Many Colombians view the United States as meddling in Colombia's internal affairs. Many Colombians also believe the United States, where most of Colombia's cocaine is consumed, is doing little to combat consumption and is making Colombia a scapegoat.

Ironically, the deterioration comes after Colombian police and the prosecutor general had a good year against the cartels. Last summer, the police, led by General Rosso Serrano, captured six of the top seven leaders of the Calí cartel.

Based on seized documents, the nation's prosecutor general, Alfonso Valdivieso, has carried out the nation's most serious investigation ever into official corruption.

"There is no question Serrano and Valdivieso are doing their best, and that is a lot," said one American official. "The problem is, after them, who can you trust? It is fair to say things are at their worst level ever."

Relations began to sour quickly in September, after the crackdown on Calí had greatly eased tension. On Sept. 28, Horacio Serpa, minister of interior and one of Mr. Samper's closest allies, publicly accused the U.S. Drug Enforcement Administration of plotting to undermine the government. The statements drew a howl of protest from Washington.

In October, in a move that left Washington apoplectic, a Colombian congressman allied with the government publicly released wiretap recordings of telephone conversations of DEA agents. The wiretapping, illegal under Colombian law, could only have been carried out with high-level approval, American officials said. No investigation was made into how the congressman, Alonso Lucio, obtained the tapes.

Then the lower chamber's Committee of Investigations, which has the constitutional authority to investigate the president, decided on Dec. 14 that there were no grounds for pursuing allegations that Mr. Samper took money from drug traffickers.

The committee, made up overwhelmingly of members of Mr. Samper's Liberal Party, came to their conclusion despite testimony and documents presented by Mr. Samper's campaign treasurer, Santiago Medina, and other campaign workers, on how the money was turned over and in what amounts. Their testimony was largely corroborated in the United States by Guillermo Pallomari, a former senior accountant of the Calí cartel who is now under the protection of the U.S. Justice Department.

This led Robert Gelbard, U.S. assistant secretary of state for international narcotics and crime, to take the highly unusual step of publicly criticizing the congressional investigation.

"It is evident that this was not a serious investigation," Mr. Gelbard said in a Dec. 16 interview on CNN's Spanish language service. "This committee's efforts unfortunately show that there are still certain people in power linked to drug traffickers."

Rodrigo Pardo, the Colombian foreign minister, immediately blasted the comments as "an act of interference" and "unacceptable."

As the controversy raged, the Colombian Senate overwhelmingly passed a bill that would have ended Mr. Valdivieso's investigations into drug-related corruption in the government. The investigation is known as Case 8000, its number in the courts.

The bill, known as the "narco-amendment" because lawyers from the Calí cartel helped draft it, would have abolished the crime of "illegal enrichment," or accumulating wealth without being able to justify the origin of the goods or money.

More than a dozen congressmen, as well as Mr. Samper's former campaign director and virtually everyone else under arrest or investigation in Case 8000 is charged with that crime.

The Liberal Party voted for the bill, including nine senators under investigation. Several said they had been told the president had no objections to the bill. But, after a national and international outcry, Mr. Samper supported killing the measure in the lower house. He later said he never supported it.

"Clearly, our investigations would have died if that had passed," said the chief prosecutor, Mr. Valdivieso. "If it is not a crime, how could we continue investigating?"



Sherlyn Bjorkgren/Agence France-Presse

A Guatemalan receiving an election sticker after having his shoes shined in last-minute campaigning.

In Guatemala Vote, a Stalking Horse

By Larry Rohter
New York Times Service

GUATEMALA CITY — On Sunday, Guatemalans were deciding which of two conservative career politicians should become their next president. But in many respects the vote was a referendum on a man who is not even on the ballot: General Efraín Ríos Montt.

On paper, General Ríos Montt is merely the secretary-general of the Guatemalan Republican Front, the rightist party whose nominal standard bearer is Alfonso Portillo. But he is also a former military dictator of this country; he has made it clear he would like to rule again, and he is said by his enemies to be using Mr. Portillo as a stalking horse.

The prospect that General Ríos Montt, a fundamentalist Protestant in this mostly Roman Catholic country of 10 million people, could return to power has provoked the opposition of the Roman Catholic Church hierarchy and widespread fears that negotiations to end the country's long civil war could be damaged.

But the general's law-and-order platform and his demonstrated willingness to apply the "iron fist" also appeal to many voters.

Last year General Ríos Montt tried to run for president himself and was the runaway leader in early opinion polls. But when the courts ruled him ineligible on the basis of a constitutional provision barring the presidency to anyone who has taken part in a coup, his party turned to Mr. Portillo, 44, a lawyer, economist and member of Congress.

The other candidate, Alvaro Arzú Irigoyen, 49, the nominee of the conservative Party for National Advancement, has been campaigning as if he were running against both men.

In a veiled reference that needs no explanation to voters, he has warned that a Republican Front victory would mean "a return to the past, with all of its burden of pain, bloodshed and death."

In the first round of voting on Nov. 12, which winnowed the original 19 candidates down to two, Mr. Arzú finished well ahead of Mr. Portillo, with 36 percent of the vote to 22 percent for his rival.

But victory in the first round is no guarantee of success, and polls have shown Mr. Portillo closing the gap.

During an 18-month period in 1982 and 1983, General Ríos Montt presided over what many Guatemalans consider the most violent phase of their civil war, which has now lasted more than 35 years.

Using scorched earth tactics, his troops killed thousands of unarmed peasants, most of them Indians, drove thousands more into exile and destroyed hundreds of villages before he was himself overthrown in another military coup.

Since being handed his party's nomination, Mr. Portillo has given the impression that his would be some sort of co-presidency with General Ríos Montt.

In their efforts to prevent that, General Ríos Montt's many opponents have recalled his role in Guatemala's violent past. In its Christmas message, the Guatemalan bishops' conference urged voters to avoid a repetition of "all those situations that provoked so much suffering by the people, such as large-scale massacres, the destruction of many villages" and summary executions.

Talks between the government and leftist guerrillas to end the civil war, in which more than 100,000 people have died, have been under way for several years with UN support, but have recently stalled, as both sides await the outcome of the election. Diplomats fear that a victory by the Portillo-Ríos Montt tandem might diminish peace prospects.

"It could very well stop the whole peace process dead in its tracks," said a foreign official.

Car Bomb Threatens Human Rights Lawyer

Washington Post Service

WASHINGTON — A car bomb exploded outside the Washington home of a lawyer who has worked to expose human rights abuses by the Guatemalan Army.

No one was hurt, and the lawyer, José Pertierra, said he believed that the attack was an attempt to intimidate him and a client, Jennifer Harbury. Susan Lloyd, a spokeswoman for the FBI, said, "We don't know what the motive was, and we have no one claiming responsibility, so we cannot characterize it as a political act or a terrorist act, but the foreign aspect is one of the avenues we will explore. We are not ruling anything out."

Ms. Harbury is an American lawyer who has undertaken a three-year effort to prove that her husband, Efraín Bamaca, a Guatemalan guerrilla leader, was murdered by the Guatemalan Army in 1992.

Her campaign, which included several hunger strikes, led to revelations that a Guatemalan colonel working for the U.S. Central Intelligence Agency had ordered Mr. Bamaca's killing.

Radar Bolsters Drug Interceptions

By Dana Priest
Washington Post Service

WASHINGTON — The U.S. military has helped Peru and Colombia force down or shoot down nearly 40 civilian planes suspected of carrying illegal drugs to the United States, according to military officials.

Based on information from U.S. radar equipment, Peruvian or Colombian air force pilots have attacked planes with machine-gun fire or forced them to land without shooting in the past nine months, according to Captain Chris Yates, a spokesman for the U.S. Southern Command. The Southern Command, based in Panama, is the U.S. military headquarters with jurisdiction over South America.

Peru has seized, forced down or shot down 16 aircraft "as a result of information we share with them," Captain Yates said.

Colombia has seized, forced down or shot down 22 planes, he said. Most of the planes came down without being fired upon, he said.

Mr. Yates said that there were up to 15 ground-based U.S. radar units operating at any time in Peru and Colombia. They are staffed with 40 to 50 U.S. military personnel, some of them reservists and members of the National Guard. The Southern Command's budget for drug interdiction is $138 million, Mr. Yates said.

The operation has been in effect since last March. Until then, President Bill Clinton had refused to provide radar information to the two countries, citing potential violations of international laws against shooting down civilian aircraft.

A law passed by Congress, and supported by the Clinton administration, permitted the sharing of such intelligence if the receiving countries agreed to safeguards to protect innocent civilian planes.

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TRAVEL UPDATE

Icy Roads Snarl West Germany

BONN (Reuters) — At least 10 people died and 200 were injured in traffic accidents over the weekend as freezing rain turned most of western Germany's roads into ice rinks, the police said Sunday.

Authorities reported more than 1,500 accidents in the regional states of Baden-Württemberg and North Rhine-Westphalia alone, as trucks could not spread salt fast enough to prevent roads freezing over a second time.

The police advised motorists to travel by train or stay at home, and had to close several highways blocked by colliding vehicles.

A walkout by Qantas flight attendants from midnight Sunday is expected to disrupt up to 40 international flights to and from Sydney on Monday. The walkout involves a dispute over overseas meal allowances. It will not affect domestic flights, a spokesman said. *(AP)*

Pompeii was the most popular tourist site in Italy last year, according to Ministry of Culture statistics. But Florence's Uffizi Museum said the figures were misleading because they did not compare like with like, saying the ruins are open to anybody while it is forced to turn visitors away. The ministry said Pompeii had 1,785,219 visitors in 1995; the Uffizi had 1,060,093. *(Reuters)*

Azerbaijanis turned their clocks ahead an hour ahead on Sunday after a three-month period on "winter time" that was intended to lower electricity consumption failed. *(AP)*

Belgium urged its nationals not to go to Burundi because of increased ethnic violence. *(AP)*

Two jets came within 1,500 feet of each other on the same runway at New York's Kennedy Airport last Thursday after a mix-up caused by a shared flight number, U.S. aviation officials said. Delta's Flight 153 believed it had clearance for takeoff, when the clearance was meant for American's Flight 153, which was landing. *(AP)*

Marseille's transport authority gave up trying to run a minimum service on Sunday after clashes between strikers and the police and nonstriking workers. *(Reuters)*

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Colombia, Moldova, Puerto Rico, Russia, Ukraine.

TUESDAY: Panama.

THURSDAY: Morocco, Nepal.

FRIDAY: Burma, Tanzania, Turkmenistan.

Sources: J.P. Morgan, Reuters.

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WEATHER

Forecast for Tuesday through Thursday, as provided by AccuWeather.



Jetstream · Unseasonably Cold · Unseasonably Hot · Heavy Rain · Heavy Snow

North America
The weather across North America will be fairly tranquil, with no major storms expected. Clean-up will continue from Washington, D.C., to Boston after a major snowstorm. Travel conditions will improve dramatically by mid-week. California will be dry and warm.

Europe
A large storm in the North Atlantic will cause gusty winds and spells of showers from England through France to Spain and Portugal Tuesday and Wednesday. Showers will also dampen Italy Wednesday and Thursday, while eastern Europe will remain mainly dry but cold.

Asia
A large storm system will sail north of Japan Tuesday through Thursday. As a result much of Japan, Korea and northeast China will be buffeted by gusty winds at times with lingering flurries likely across northern Japan. Rather tranquil across the rest of Asia.

Europe

	Today High	Today Low/W	Today C/F	Tomorrow High	Tomorrow Low/W	Tomorrow C/F
Algarve	17/62	12/53 r		17/62	12/53 c	
Amsterdam	6/43	4/39 r		7/44	3/37 r	
Ankara	6/43	1/34 sh		3/37	-4/25 sn	
Athens	12/53	7/44 pc		12/53	8/46 r	
Barcelona	16/61	12/53 r		14/57	6/46 c	
Belgrade	3/37	-4/25 pc		8/46	3/37 c	
Berlin	3/37	-3/27 s		4/39	1/34 sn	
Brussels	6/43	4/39 r		7/44	3/37 sh	
Budapest	2/35	-2/29 s		3/37	-1/31 pc	
Copenhagen	2/37	-1/31 s		4/39	1/34 pc	
Costa Del Sol	17/62	16/58 sh		17/62	12/53 c	
Dublin	8/46	7/44 r		11/52	4/39 c	
Edinburgh	8/46	7/44 r		8/46	6/43 t	
Florence	10/50	8/46 sh		12/53	7/44 r	
Frankfurt	3/37	-3/27 s		3/37	1/34 sn	
Geneva	6/43	4/39 r		7/44	1/34 sh	
Helsinki	1/34	-6/22 c		2/35	-6/25 pc	
Istanbul	6/43	4/39 r		8/46	3/37 c	
Las Palmas	24/75	17/62 s		24/75	18/64 pc	
Lisbon	14/57	11/52 sh		16/61	11/52 c	
London	8/46	7/44 r		10/50	5/41 c	
Madrid	11/52	8/46 sh		8/46	4/39 r	
Milan	4/39	3/37 r		7/44	2/35 r	
Moscow	-3/27	-7/20 s		-6/22	-12/11 s	
Munich	4/39	2/35 r		7/44	1/34 pc	
Nice	13/55	9/48 sh		16/61	7/44 c	
Oslo	-1/31	-6/22 pc		-1/31	-3/27 c	
Mallorca	14/57	13/55 r		14/57	9/48 c	
Paris	9/48	6/43 c		9/48	3/37 c	
Prague	2/35	-3/27 s		3/37	-1/31 sn	
Reykjavik	5/41	3/37 sh		6/43	2/35 sh	
Rome	11/52	10/50 r		14/57	7/44 r	
St. Petersburg	-4/25	-13/11 pc		-4/25	-9/16 pc	
Stockholm	1/34	-3/27 pc		2/35	-3/27 pc	
Strasbourg	6/43	3/37 sh		6/43	1/34 r	
Tallinn	1/34	-6/22 c		2/35	-4/25 pc	
Venice	6/43	3/37 r		9/48	5/41 r	
Vienna	1/34	-3/27 pc		2/35	-1/31 sn	
Warsaw	-1/31	-3/27 sn		2/35	-3/27 s	
Zurich	4/39	2/35 r		6/43	1/34 r	

Oceania

	Today High	Today Low/W	Today C/F	Tomorrow High	Tomorrow Low/W	Tomorrow C/F
Auckland	24/75	16/61 pc		24/75	15/61 pc	
Sydney	28/82	22/71 r		28/82	21/70 pc	

Middle East

	Today High	Today Low/W	Today C/F	Tomorrow High	Tomorrow Low/W	Tomorrow C/F
Abu Dhabi	28/79	17/62 s		23/73	16/69 pc	
Beirut	16/61	12/53 sh		18/64	12/53 pc	
Cairo	17/62	10/50 c		18/64	10/50 pc	
Damascus	8/46	5/41 sh		12/53	4/39 c	
Jerusalem	11/52	5/46 sh		13/55	5/46 c	
Luxor	22/71	3/37 s		28/79	7/44 s	
Riyadh	20/68	12/53 pc		22/71	10/50 pc	

Africa

	Today High	Today Low/W	Today C/F	Tomorrow High	Tomorrow Low/W	Tomorrow C/F
Algiers	16/61	14/57 sh		16/61	11/52 pc	
Cape Town	24/75	14/57 s		25/77	15/59 s	
Casablanca	18/64	13/55 pc		19/66	12/53 pc	
Harare	19/66	11/52 pc		22/71	7/44 pc	
Lagos	31/88	23/73 s		31/88	24/75 s	
Nairobi	22/71	9/48 pc		25/77	11/52 pc	
Tunis	15/59	9/48 sh		17/62	7/44 sh	

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, I-ice, W-Weather. All maps, forecasts and data provided by AccuWeather, Inc. © 1996

Asia

	Today High	Today Low/W	Today C/F	Tomorrow High	Tomorrow Low/W	Tomorrow C/F
Bangkok	32/89	18/66 pc		31/88	21/70 pc	
Beijing	1/34	-3/27 pc		-3/27	-11/13 pc	
Hong Kong	18/64	15/59 c		20/68	14/57 pc	
Manila	31/88	24/75 pc		33/91	22/71 pc	
New Delhi	24/75	9/48 s		27/80	10/50 s	
Seoul	6/43	-3/27 c		7/44	-7/20 pc	
Shanghai	8/46	2/35 sh		8/46	3/37 sh	
Singapore	28/82	24/75 pc		29/84	25/77 pc	
Taipei	19/66	15/59 c		22/71	14/57 pc	
Tokyo	9/48	3/37 c		8/46	4/39 sh	

Latin America

	Today High	Today Low/W	Today C/F	Tomorrow High	Tomorrow Low/W	Tomorrow C/F
Buenos Aires	29/84	17/62 s		30/86	18/64 pc	
Caracas	29/84	17/62 pc		28/82	18/64 pc	
Lima	24/75	18/64 pc		24/75	20/68 pc	
Mexico City	23/73	9/48 pc		23/73	9/48 pc	
Rio de Janeiro	30/86	23/73 c		30/86	23/73 sh	
Santiago	29/84	16/61 s		28/82	16/61 pc	

North America

	Today High	Today Low/W	Today C/F	Tomorrow High	Tomorrow Low/W	Tomorrow C/F
Anchorage	-7/20	-16/2 c		-11/13	-21/-5 pc	
Atlanta	9/48	2/35 r		4/39	-5/24 r	
Boston	-7/20	-13/11 pc		-7/20	-10/15 c	
Chicago	-6/15	-14/7 c		-7/20	-19/-2 pc	
Denver	-11/13	-18/0 pc		2/35	-7/20 s	
Detroit	-7/20	-13/9 pc		-6/22	-9/15 pc	
Honolulu	25/77	22/71 c		28/82	21/70 pc	
Houston	7/44	-3/27 r		6/46	-7/20 pc	
Los Angeles	22/71	10/50 pc		26/77	9/48 s	
Miami	24/75	17/62 pc		28/79	12/53 pc	
Minneapolis	-16/4	-23/-9 pc		-13/9	-19/-2 s	
Montreal	-20/-4	-28/-16 s		-16/4	-17/2 s	
Nassau	27/80	21/70 pc		28/82	21/70 pc	
New York	-6/22	-9/16 pc		-4/25	-7/20 sn	
Phoenix	21/70	8/46 s		19/66	7/44 s	
San Fran.	14/57	9/48 pc		14/57	9/48 pc	
Seattle	7/44	3/35 r		11/52	7/44 r	
Toronto	-6/18	-13/9 c		-11/13	-13/9 s	
Vancouver	3/37	1/34 r		7/44	1/34 r	
Washington	-1/31	-7/20 pc		-6/27	-6/22 sn	

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POLITICAL NOTES

Candidate Warns Republicans

WASHINGTON — Lamar Alexander, the second-tier Republican presidential candidate, is predicting that his party will face a debacle on Election Day unless it jettisons its front-runner, Senator Bob Dole of Kansas, and his Washington-insider message.

Mr. Alexander, the former two-term governor of Tennessee, used a speech at the Heritage Foundation to plant doubts about the viability of Mr. Dole's presidential candidacy and to emphasize his belief that improving the standard of living in the United States will require Americans to expect "less from Washington and more from ourselves, with the emphasis being on more from ourselves."

"If the coming presidential campaign is more about government than citizenship," Mr. Alexander said, "if it is more about what goes on in Congress than what goes on in our families and our neighborhoods and our schools, if Republicans offer no more vision than that, then Bill Clinton will be the next president," he said.

"And not only that, there will be a Democratic House and there will be a fellow named Gephardt speaker of the House rather than Newt Gingrich," Mr. Alexander added, referring to the minority leader, Richard Gephardt of Missouri.

He reminded his audience that a Republican-controlled Congress had not been re-elected since 1928, saying that the 1994 voting "was a realignment election." He then went on to question how secure that realignment is.

Mr. Alexander reiterated one of the central tenets of his campaign:

Mr. Dole is a crackerjack Senate majority leader but a lackluster candidate who is incapable of defeating Mr. Clinton in debates this fall. *(NYT)*

Liberal Group Backs Clinton

WASHINGTON — Hoping to energize liberals disaffected with the Clinton administration, the Americans for Democratic Action has endorsed President Clinton as the Democratic nominee.

Traditionally, the group has resisted backing incumbent Democratic presidents like Mr. Clinton, whom many of its members consider insufficiently liberal. But this year is different.

For the first time since 1956, the Republicans could win control of both the executive and legislative branches of government.

And the question of whether Mr. Clinton is ideologically pure enough has been replaced by the "life and death issue" of stemming the Republican revolution, the ADA's national director, Amy Isaacs said Saturday.

"I think people are saying this is going to be an election where people on the liberal side are going to mobilize in ways they haven't probably since Barry Goldwater," said Representative Barney Frank, Democrat of Massachusetts, who is an ADA board member. "And as a matter of fact, people here are looking back nostalgically on Barry Goldwater as a relatively benign figure compared to this group."

Over the past year as the Republicans have taken center stage in Washington, the group's membership has increased to 65,000, from about 50,000.

This is the biggest surge since the Vietnam War and Watergate era.

Ann F. Lewis, the communications director of Mr. Clinton's re-election committee, said the endorsement showed both widespread support for the president in the party and "no stomach for internal fights."

The ADA is a small but symbolically important organization in which labor leaders work closely with liberal politicians and activists.

It is not clear whether the endorsement will yield any tangible benefits for the president's re-election effort.

By endorsing Mr. Clinton so early in the year, Ms. Isaacs said, the group can "mobilize resources and people and get the message out to liberals who are candidly disaffected with the administration." *(NYT)*

Quote/Unquote

President Bill Clinton on the budget talks with Republicans: "It is not the financial numbers that are blocking our progress. It is political ideology. It is time now to do what our parents have done before us: to put the national interests above narrow interests." *(NYT)*

Away From Politics

•**Three people were killed** and more than a dozen injured when fire engulfed a motel in Bowling Green, Kentucky. Firefighters had to rescue guests from their rooms at the Howard Johnson motor lodge, where 75 people were staying. *(AP)*

•**Allegations of serious inadequacies** in the maintenance of airplanes used by the Forest Service to fight fires lacked specific evidence and documentation, a review has found. An internal Forest Service team that made the review, nonetheless, issued a list of recommendations to improve the safety of the air fleet. *(AP)*

•**Six people were indicted in Miami** on federal charges of trafficking used and unsafe parts for commercial airplanes, and a federal official said it was possible that some of the parts made it into U.S. airliners. The Federal Aviation Administration issued bulletins to the airlines, which in some cases recalled parts. *(AP)*

•**Fire destroyed a cheese factory** in Lena, Wisconsin, and put 400 of the town's 600 residents out of work. No one was injured in the blaze at the Stella Foods Inc. plant, but hundreds of residents were forced from their homes by the heavy smoke. *(AP)*

•**The Los Angeles County Sheriff's Department** and nearly 100 plaintiffs have agreed to a $7.5 million settlement for lawsuits alleging excessive force and other misconduct. The lawsuits, filed in 1990 and 1991, alleged that deputies in the Lynwood station used excessive force and harassment against residents in the suburban neighborhoods of Lynwood, Athens and East Compton. If approved, the money would be paid in installments over the next 2½ years. *(AP)*

•**New York state has agreed to pay at least $1,000** each to female inmates at the Albion Correctional Facility near Rochester who claimed their rights were violated during videotaped nude searches. The settlement must still be approved by the 72 plaintiffs. If more than 15 reject it, the state can withdraw and the case would go to trial. *(AP)*

Aftershock Rattles Southern California

The Associated Press

RIDGECREST, California — A moderate aftershock to the Ridgecrest earthquake of Sept. 20 and a swarm of smaller quakes rattled Southern California early Sunday. No damage or injuries were reported.

A temblor with a magnitude of 5.2 struck at 6:32 A.M. and was centered 10 miles north of this high desert town.

DEATH NOTICE

Friends around the world of Berna Gorenstein Huebner and Lee, Charley and David Huebner share their grief on the passing of

Edward Gorenstein

of Highland Park, Illinois on January 3, 1996 at the age of 90.

White House Finds Missing Whitewater Data



Dennis Cook/The Associated Press

Senator Alfonse D'Amato said it was "second miraculous discovery in 24 hours."

By Stephen Labaton
New York Times Service

WASHINGTON — After nearly two years of searches and subpoenas, the White House has announced that it has unexpectedly discovered copies of missing documents from Hillary Rodham Clinton's law firm that describe her work for a failing savings and loan association in the 1980s.

Federal and congressional investigators have issued subpoenas for the documents since 1994, and the White House has said it did not have them. The originals disappeared from the Rose Law Firm, in which Mrs. Clinton was a partner, shortly before President Bill Clinton took office.

The documents discovered Friday are copies of billing records from the Rose firm, where Mrs. Clinton helped represent Madison Guaranty, a savings and loan run by James B. McDougal, the Clintons' business partner in the Whitewater land venture.

The originals are still missing. Investigators have been seeking the documents to determine the role that Mrs. Clinton played in the firm's representation of the savings and loan.

The Clintons' lawyer, David E. Kendall, said the documents showed that the work Mrs. Clinton performed was limited in time and scope, as she has repeatedly said.

But Representative Jim Leach, Republican of Iowa, who heads the House Banking Committee, said he believed that the billing records contradicted Mrs. Clinton's account of her involvement with Madison, and showed that her legal work for the savings and loan was "extensive and detailed."

Senator Alfonse M. D'Amato, Republican of New York, called the discovery of the copies of the records "the second miraculous discovery within the past 24 hours."

Mr. D'Amato, who is chairman of the Senate Whitewater committee, was referring to the disclosure Thursday of a memorandum written by a former presidential aide, apparently in the fall of 1993 or early 1994, that said Mrs. Clinton played a far greater role in the dismissal of employees of the White House travel office than the administration has acknowledged.

By their sheer volume — 115 pages — and the variety of contacts and conferences they document, the billing records raise new questions about Mrs. Clinton's account of her work that are likely to give impetus to investigations of the case in Congress and by federal prosecutors.

For example, the records, which refer to Mrs. Clinton at various points as H.R.C., Hillary Clinton or H. Clinton, show she billed Madison for more than a dozen discussions with an Arkansas businessman, Seth Ward.

Mr. Ward played a leading role in one of the savings and loan's largest losses, a $4 million land deal that regulators later criticized the Rose firm for helping structure. Mr. Ward is the father-in-law of the former associate attorney general, Webster Hubbell, who was also a partner in the Rose firm.

Mr. Kendall said the Rose billing records were discovered in the White House on Thursday night by Carolyn Huber, a White House aide and former office manager of the Rose firm. He also said that Mrs. Clinton was not aware until Friday that the records had been in the White House.

Henry F. Schuelke, a lawyer for Mrs. Huber, said that she found the records in a storage area in the third-floor private residence at the White House where unsolicited gifts to the president and first lady are stored before being sorted and catalogued.

Mr. Schuelke said Mrs. Huber did not know who placed the records in the storage area or how long the material might have been there. He said she discovered the material after she had brought the documents, along with gifts from the White House family quarters, to her own office in the White House East Wing.

When she examined the documents, Mr. Shuelke said, she realized the materials might be relevant to the various inquiries. He said she then called him and alerted Mr. Kendall.

Mr. Kendall said Mrs. Huber discovered the records while cataloging various "correspondence, memorabilia and other materials."

He declined to say why Mrs. Huber had been going through her files or how the Rose documents could have come into her possession in the first place.

He also declined to answer questions about why they were not discovered sooner. The White House has said it searched Mrs. Huber's files in 1994 in response to subpoenas.

A week ago, the statute of limitations expired for a variety of civil lawsuits that may be brought against professionals who fraudulently advised corrupt savings associations. At the same time, the Resolution Trust Corp., the agency that had supervised the bailout of the savings and loan industry, closed down.

In one of its final acts, the RTC issued a report announcing its decision not to bring a civil lawsuit against the president or first lady for the losses that the Whitewater land venture caused Madison.

Snowstorm of 'Historic Proportions' Blankets East Coast

Compiled by Our Staff From Dispatches

WASHINGTON, — The largest snowstorm in decades hit the eastern United States over the weekend, raising blizzard warnings, closing airports and depleting stores of snow shovels.

Much of Washington remained indoors Sunday to avoid the wind-driven snow. At least 13 inches (33 centimeters) had fallen on the city since Saturday night, accompanied by gusting 30-mile-per-hour (48 kilometer-per-hour) winds.

A National Weather Service meteorologist predicted a storm of "historic proportions," with up to 30 inches of snow for the area around the nation's capital, which bore the brunt of the storm. The meteorologist said that zero visibility had virtually closed traffic by air along the nation's East Coast corridor.

Meetings at the White House between President Bill Clinton and congressional Democrats were canceled. Museums that had just reopened after the partial government shutdown had to close their doors again because of the snow.

Blizzard warnings were issued from western Virginia through New York, including parts of Delaware, Pennsylvania and Maryland, said Ken Campbell of the Weather Services Corp. in Lexington, Massachusetts, a private forecasting firm.

The service defines a blizzard as a storm with winds of more than 30 miles per hour and snowfall of at least one inch an hour, creating low visibility.

Snow was expected throughout Sunday evening, tapering off early Monday. Forecasters predicted at least 24 inches of snow from western Virginia to southeastern Massachusetts.

Baltimore Washington International and National airports were closed, authorities said. Only two airlines, American Airlines and TWA, were handling passengers at Dulles, the third airport in the area.

In Pennsylvania, snow removal crews labored to keep the 40 miles of runway at the Philadelphia airport open, but most major airlines said they were ceasing operations.

The airport provided blankets, pillows and toothbrushes to scores of stranded travelers. *(Reuters, AP)*

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ASIA

China Silent on U.S. Visa for Taiwan Vice President

Compiled by Our Staff From Dispatches

BEIJING — China was silent Sunday after the United States issued a transit visa to Taiwan's vice president, with senior officials apparently weighing how best to handle the newest complication in ties with the United States.

Washington said it had issued a transit visa to Vice President Li Yuan-zu, allowing Mr. Li's plane to stop in Los Angeles on Jan. 11 and 16 on his way to and from Guatemala.

"There will be no public activity during the transits," a State Department spokeswoman, Phyllis Young, said Saturday. "This is consistent with our policy and with our unofficial relationship with Taiwan."

While quietly celebrating its victory in the U.S. visa dispute with China, Taiwan emphasized that the vice president's stopovers in the United States carried no political significance. "The Chinese communists are overreacting," said a Foreign Ministry spokesman, Rock Leng, refering to earlier vehement Chinese criticism of the United States.

Beijing was silent on Sunday, with the Foreign Ministry offering no immediate response to Washington's decision.

Diplomats said Beijing would certainly react, although its response would likely be more muted than the rage it vented after Washington allowed President Lee Teng-hui of Taiwan to make a private visit to the United States last June.

"This is going to reinflame the hearts of those Chinese who are sensitive about this," a Western diplomat said. "However, the vice president is not so much a political symbol, so it may not be such a problem for them as Lee Teng-hui."

China's anger would be directed more this time toward Taiwan, for defying Beijing warnings not to try to boost its international profile, rather than against Washington, a retired Chinese government official said.

Whatever Beijing's response to the American decision, it was unlikely to send relations plunging to the 16-year low that followed Mr. Lee's visit last June, the diplomat said.

"But they will certainly be concerned that they are not making their point strongly enough to the United States," he said.

With Chinese-U.S. relations virtually frozen after the Lee Teng-hui visit, Beijing had insisted that ties would improve only after public U.S. guarantees that no more such visas would be issued to Taiwanese officials. Washington agreed to extend private assurances, diplomats said.

Vice President Li plans to attend the inauguration of the new Guatemalan president on Jan. 14 and requested a transit visa so his aircraft colud refuel in the United States.

Under the U.S. policy toward Taiwan approved by President Bill Clinton in 1994, Washington allows Taiwanese leaders to transit through the United States on their way to other destinations.

China, which has regarded Taiwan as a renegade province since the end of the Chinese civil war in 1949, has accused Taipei of using "so-called transit diplomacy" to gain access to countries that have diplomatic relations with China.

Beijing angrily postponed several semiofficial discussions with Taipei last year and conducted two series of missile tests in the sea north of Taiwan in July and August.

Diplomats say the issue of Taiwan is likely to constitute China's most acute political and diplomatic problem in 1996.

The military and many senior Communist Party officials have been enraged over what they see as moves by Taipei toward de facto independence. They are also increasingly suspicious of U.S. motives, concerned that Washington may want to contain China's growing economic might.

Diplomats say many Chinese factions anxious not to appear weak toward the United States.

In another developement Sunday, Taiwan took delivery of its first batch of 20 U.S.-made M60A3 tanks as part of a deal struck in 1994, state radio reported.

Ten tanks were delivered in southern Kaohsiung harbor and another 10 were delivered in northern Keelung harbor, the radio said.

Taiwan agreed to buy 160 M60A3 tanks from the United States for $590,000 each in August 1994. *(Reuters, AFP)*

A Political Offensive in Sri Lanka

A 'Union of Regions' Proposed to End Tamil Uprising

By John F. Burns
New York Times Service

NEW DELHI, India — A month after the Sri Lankan Army took control of the city of Jaffna from Tamil rebels, the government is preparing an ambitious political offensive that could decide whether the island nation returns to peace after more than a decade of ethnic warfare.

This month the president will ask Parliament to approve constitutional changes to create a region in Sri Lanka's north and east dominated by the country's Tamil ethnic minority.

By breaking the highly centralized Sri Lankan state into a "union of regions," each with substantial political powers, the government aims to meet complaints by the Tamils of domination by the Sinhalese majority.

The proposals have been codified from an outline political settlement announced in August by President Chandrika Bandaranaike Kumaratunga, who is Sinhalese.

The announcement, saying she was ready to give up some of the power held by the Sinhalese in the country of 17 million people, met with strong resistance from some Sinhalese groups, notably leaders of the powerful Buddhist clergy. Most Sinhalese are Buddhists; most of the island's 2 million Tamils are Hindus.

But Mrs. Kumaratunga and her top advisers say they are confident that opinion is shifting in their direction, not only among the Sinhalese but also among Tamils. In particular, they say their proposals are winning adherents among the so-called northern Tamils, numbering about 1.2 million, who have traditionally looked to Jaffna, and in recent years to the separatist Liberation Tigers of Tamil Eelam, as the focus of their loyalties.

"We believe that political sagacity will prevail, and that a problem that has plagued our country for decades is within reach of solution," said Justice Minister G.L. Peiris, who left New Delhi on Saturday after talks with the Indian government.

Mr. Peiris, regarded as the most powerful figure in the government after Mrs. Kumaratunga, is the principal author of the constitutional proposals.

For the proposals to become law, they will require a two-thirds majority in Parliament, where Mrs. Kumaratunga's government holds a one-vote majority, and then approval in a referendum.

In an interview, Mr. Peiris said the government believed that its military victory in Jaffna would help it win the Sinhalese majority's support for the constitutional changes.

When troops took the city, after a 49-day offensive that killed at least 2,500 soldiers and Tamil rebels and wounded as many as 7,500, some Sri Lankan commentators thought the event might engender a triumphal mood among Sinhalese, shifting the balance against political concessions.

But, Mr. Peiris said, "since we took Jaffna, the Sinhalese people have been prepared to look at our proposals in a different light."

"They have mellowed, because the aura of invincibility of the LTTE has been exploded," he said, using the acronym for the Liberation Tigers of Tamil Eelam. The Tigers used terror tactics to eliminate rival Tamil separatist groups in the 1980s and then used similar tactics on the government and military.

As evidence, Mr. Peiris cited a softening of opinion among Buddhist clergy in the north who had previously opposed any deals with the Tamils, and a similar shift he said he had detected on a recent visit to what he called the "deep south" of Sri Lanka, where Sinhalese opinion on matters involving Tamils has been hard-line.

Before the army's drive on Jaffna, the Tigers, with a force of about 10,000, had restricted government forces to a few embattled military bases on the Jaffna Peninsula. Mr. Peiris said the change in the government's military fortunes came when Mrs. Kumaratunga shifted the bulk of Sri Lanka's combat troops to the Jaffna Peninsula. Previously, he said, only 30 percent of the troops were in the north.



John MacDougall/Agence France-Presse

TO SAFETY — A woman carrying a baby bottle from her home as Jakarta battled heavy flooding.

BRIEFLY ASIA

China Defends Child Health Care

BEIJING — Beijing hailed advances in child health on Sunday after a human-rights group issued a report describing deaths of thousands of babies, deliberately killed by starvation or abuse in China's orphanages.

China, apparently stung by the report by the New York-based Human Rights Watch/Asia group, swiftly issued details of health-care improvements for children and invited foreign media to inspect a Shanghai orphanage, cited in the report as one of China's worst offenders until 1993.

The vaccination rate for leading childhood diseases has risen to more than 80 percent in the 1990s while the number of children's deaths from measles had fallen by 97.47 percent, the Xinhua press agency said. Cases of child malnutrition had fallen by 23.82 percent compared with 1990, Xinhua said. It gave no figures.

The improvement in nutrition was in sharp contrast to the Human Rights Watch/Asia report, which cited figures published by China's Ministry of Civil Affairs and orphanage workers showing "third-degree malnutrition" as the most common cause of death at the Shanghai Children's Welfare Institute in the early 1990s. *(Reuters)*

India Plans Elections in April

NEW DELHI — Prime Minister P. V. Narasimha Rao of India has set general elections for April, starting a three-party tussle for power in which no single issue looks strong enough to bring anyone outright victory.

A government spokesman quoted Mr. Rao as saying Saturday that elections would definitely be held in April. Senior officials said they would probably take place before the beginning of the harvest season in mid-April.

Mr. Rao's favorite theme of "stability and economic development" has been criticized within his own Congress Party, whose senior ministers say it lacks credibility especially to many of the country's rural poor. *(Reuters)*

6 Die in Pakistan Bus Bombing

KARACHI, Pakistan — At least six people were killed and 25 wounded when a bomb exploded on a passenger bus during rush hour here late Sunday, the police said. Doctors at a local hospital said several wounded passengers were in critical condition.

The explosion took place in a state-owned bus near Nursery area in the southern district of the city. Policemen refused to speculate on the motive for the blast. *(AFP)*

VOICES From Asia

Lee Kuan Yew, Singapore's elder statesman, speaking to Indian business leaders about the possible cultural impact of New Delhi's economic liberalization and saying he favored arranged marriages like the Indians: "I am a product of an arranged marriage. Falling in love, I consider to be a Western fanatsy. You fall out of love even before your first child is born." *(Reuters)*.

Ismael Omar, director of the UN World Food Program's Kabul office, as a 93-truck aid convoy reached the Afghan capital: "People's resources are exhausted and now, with winter here, this is the time they need help most." *(AP)*

Sushma Swaraj, spokeswoman for the rightist Hindu nationalist Bharatiya Janata Party, after the government announced general elections for April: "Corruption in high places and national security are definitely going to be our main areas of focus." *(Reuters)*

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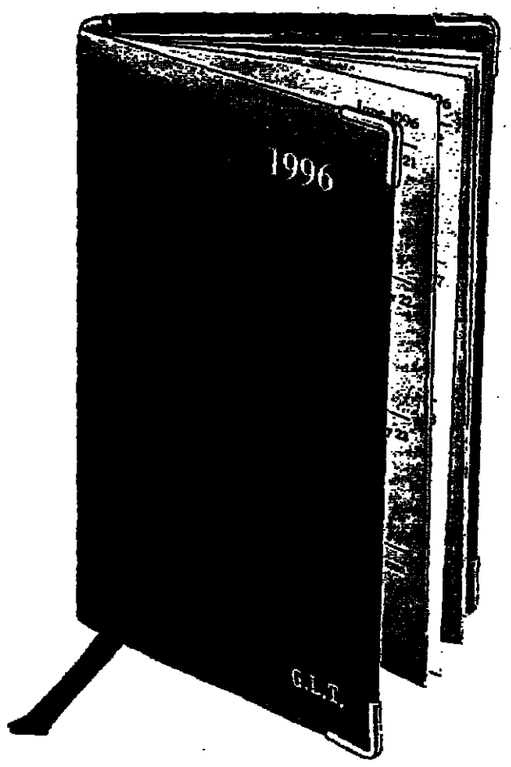
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Major Tells Tories To Stop Feuding

With Majority at 3, He Seeks to Halt Defections

Reuters

LONDON — Prime Minister John Major, his wafer-thin parliamentary majority threatened by defections, bluntly told his ruling Conservatives on Sunday to stop squabbling or lose the next general election.

In an interview with BBC television, Mr. Major held out an olive branch to moderates worried about a lurch to the right by pledging to fight the election — which must be held by May 1997 — on a center-right platform.

Amid reports that his majority could be wiped out by the threatened desertion of two more members of Parliament, Mr. Major said it was time for Conservatives to fight the opposition, not each other.

"This election is here to be won. It's also there to be lost," said Mr. Major, whose party has been in power since 1979. "If the Conservative Party does not realize the opportunities that lie ahead of it and throw it away by disputes within itself, then it will lose the election. That is certainly true. The British electorate does not like parties that squabble with themselves."

Mr. Major was rocked 10 days ago by the defection of a Conservative member of Parliament, Emma Nicholson, to the minority Liberal Democrats. Her departure, after the desertion in October to Labor of Alan Howarth, reduced Mr. Major's majority in the 651-seat House of Commons to three. The Mail on Sunday newspaper reported that two more Conservative members were threatening to quit.

Mr. Major said he sincerely hoped that there would be no more defections, and he went out of his way to describe the two recent defectors as good people with decent values.

The Conservative Party, he said, is a "tolerant, pragmatic, broad church" in which the views of both left and right wings are valuable.

"The Conservative Party would be weaker if it did not have both of those wings of its opinion available for debate and for discussion, he said.

But, he added, "When we've had those debates, our policy always centers itself around a center-right agenda — not a left agenda, not a far-right agenda."

He appealed to Conservatives to fight the opposition Labor Party, which holds an opinion poll lead of about 30 percentage points, rather than to fight each other or defect.

"I say to my Conservative colleagues: come and join me in that battle," Mr. Major said. "It's going to be a battle royal over the next year but it is one I believe that we can and we will win — but we need all our party to help us do so." Tony Blair, the Labor Party leader, speaking on Sky Television from Singapore, said the Conservatives "are really finished as a serious political governing force."

"They have no idea what to do with government," Mr. Blair said.



Kai Pfaffenbach Reuters

Wolfgang Gerhardt, left, shaking hands with the former Free Democratic chairman, Klaus Kinkel, in Stuttgart.

The Free Democrats' New Banner

Reuters

BONN — The small Free Democratic Party, fighting for survival, has homed in on the burden of the welfare state in an attempt to galvanize support.

The party, a partner in the governing coalition led by Chancellor Helmut Kohl's Christian Democratic Union, is represented in only 4 of the country's 16 state assemblies. With important regional elections scheduled in March, it faces the possibility of its disappearance from the political scene.

"No political party can ever mobilize enough money to finance a state that does more for people than they could or should do for themselves," the Free Democratic leader, Wolfgang Gerhardt, said at a party rally in Stuttgart.

"As long as many people want — without scruple — to commit the state to create work, housing and a good living, and provide a guaranteed market and subsidies in the economic area, the community cannot be truly free or successful," he said.

Economics Minister Günter Rexrodt, a Free Democrat, said Sunday on German radio, "Only organized liberalism can ensure that calls for state action do not have such a paralyzing effect that we are all left with nothing."

The conservative weekly Welt am Sonntag saw the theme as a new banner for a party whose traditional recipe of market economics and civil liberty appears to be no longer to the taste of the electorate.

The newspaper said there was little need these days to protect the individual from an authoritarian state.

"The state we need to ward off nowadays is a different one: a highly bureaucratic deductions-and-contributions Leviathan serving an authoritarian social policy," it said.

Finance Minister Theo Waigel, who is seeking ways to limit the budget deficit, called in the newspaper Bild am Sonntag for a national stability pact between the federal government, states and municipalities to curb spending.

He refused to comment on the Free Democratic Party's demand for a pledge to start reducing next year the so-called solidarity surcharge on income tax, imposed to pay for German reunification.

Failure to commit the coalition to this demand has prompted some Free Democratic Party officials to suggest that the party could leave the governing coalition. Mr. Waigel appeared unimpressed by the threat to deprive the government of its 10-seat majority, saying his conservative Christian Social Union had no fear of an early election.

Mr. Gerhardt has acknowledged that the March 24 elections — in the states of Baden-Württemberg, Rhineland-Palatinate and Schleswig-Holstein — will show whether the public has faith in the Free Democratic Party. Its support in polls is about 5 percent.

BRIEFLY EUROPE

Major Backs Saudi's Expulsion

LONDON — Prime Minister John Major gave his backing on Sunday to the expulsion of a Saudi dissident whose criticism of the Saudi royal family has endangered lucrative defense deals with Riyadh.

Mr. Major said Mohammed Masari, who is appealing against an order deporting him to the Caribbean island of Dominica, had abused British hospitality by trying to undermine a close ally. *(Reuters)*

French Union Urges Stoppages

PARIS — The leader of France's pro-Communist CGT union, which spearheaded the public sector strikes last month, called Sunday for more stoppages and for the dismissal of Prime Minister Alain Juppé.

Louis Viannet, a key player in the strikes over government welfare reforms and a railroad restructuring plan, told the weekly Votre Dimanche that more strikes were "a necessity" and that replacing Mr. Juppé would not be enough to solve the crisis. *(Reuters)*

Cypriot Police Stand Accused

NICOSIA — President Glavkos Klerides accused Cypriot police officers Sunday of murder and involvement in corruption in the island's underworld.

Mr. Klerides implicated the police in unsolved killings and arson attacks linked to underworld battles for control over drugs, gambling and prostitution. *(AFP)*

Swiss Expel Russian Diplomat

ZURICH — Switzerland has expelled a Russian diplomat from Moscow's United Nations mission in Geneva for spying, a government spokesman said Sunday.

He said the unidentified diplomat had been ordered out of the country for "illegal espionage activities." *(Reuters)*

Calendar

European Union events scheduled for Monday:

ROME: Meeting between the European Commission and the Italian EU presidency on the Union's goals for the first six months of 1996.

BRUSSELS: Monetary Commissioner Yves de Silguy addresses the Royal Institute for International Relations.

BRUSSELS: The Cultural Commission of the EU Parliament ratifies the Gaelote report on European legislation on television.

Sources: Agence Europe, AFP

£42 Million U.K. Lottery Stirs Gaming Frenzy (and a Debate)

Reuters

LONDON — Organizers of Britain's national lottery said Sunday that three winners would share a record £42 million lottery jackpot that sent the country into a gambling frenzy.

As churchmen and politicians kept up a heated debate about the morality of bonanza prizes, Camelot, the lottery organizer, said three tickets with the winning numbers — 2, 3, 4, 13, 42 and 44 — had each won £14,002,870.

Computers worked through the night to calculate the breakdown of winnings after a mad rush for tickets before Saturday evening's live drawing on prime-time television. It estimated that 9 out of 10 British adults bought at least one ticket. More than 100 million tickets — double the normal number — were sold during the week.

LINK, Britain's largest cash machine network, reported an 82 percent rise in withdrawals in the first week of January compared with the same time last year. From Tuesday, the demand rose 28 percent a day, culminating in £55 million withdrawn on Friday and Saturday.

The prize, equivalent to $65 million, was more than four times the usual jackpot because there was no outright winner in the previous two weeks. It was also thought to have attracted high-rolling gamblers and commercial syndicates around the world.

At their peak, ticket sales on Saturday reached 5,000 a second, causing the network of ticket machines to break down for 20 minutes. Players from France and Belgium took day trips across the English Channel to buy tickets, even though the chance of getting the right combination of numbers was put at 14 million to 1.

"By any standards, this has been a phenomenal week," said David Rigg, a Camelot spokesman.

But the Right Reverend Simon Barrington-Ward, the bishop of Coventry, denounced the greed fueled by the lottery. He called for it to be abolished.

"For our society as a whole it's one more corrupting force," he said on BBC television.

Organizations providing help for gamblers have reported huge rises in the number of people addicted to playing the lottery.

Interviewed on the same program, Prime Minister John Major said the bishop was "wholly wrong."

The lottery, Mr. Major said, was generating hundreds of millions of pounds a year for sport, the arts, Britain's heritage and charities that the country could never afford out of general taxation.

New Shooting at NATO Force

General Warns of Forceful Reply

The Associated Press

SARAJEVO, Bosnia-Herzegovina — Tensions in southwestern Mostar and continued shooting at NATO forces put Bosnia's fragile peace accord in jeopardy Sunday. The alliance warned that it would fire back with increasing might at any assailants.

As the latest victim of Mostar's violence — a Croatian policeman shot and killed Saturday — was buried in the tense southwestern town, the British general who commands NATO ground forces in Bosnia warned that Mostar was the biggest threat to the peace plan.

Any situation in Bosnia that produces a risk of conflict "is extremely dangerous," Lieutenant General Michael Walker told reporters on a visit to Tuzla, in northeast Bosnia.

"I think Mostar is probably as dangerous as anywhere at the moment," he added.

A French Falcon-50 aircraft was hit by two small arms rounds as it came in to land Sunday in Sarajevo, said Major Simon Haselock, a spokesman for the NATO-led Implementation Force. There were no injuries and it was not clear who had fired. Major Haselock said the NATO force was considering options to deter firing on planes.

On Saturday, British troops came under fire twice in different towns in northwestern Bosnia, and shot back once. French troops patrolling Sarajevo aimed cannon fire at unknown assailants amid wild shooting to celebrate Orthodox Christmas Eve.

Spanish troops and armored vehicles with the NATO force patrolled the tense front line of Mostar, where the fatal shootings of a Muslim and a Croat and the wounding of two off-duty policemen have sent tensions soaring.

Muslims and Croats fought bitterly over the battered town in 1993 and 1994, and the situation is worse than at any time since battles stopped almost two years ago.

By Jan. 21, under the peace plan, even men of fighting age are supposed to be able to move freely between the Muslim east and Croatian west of the city.

Now, however, the European Union administrator of the city has had to ask both sides to restrict movement just a month after it started for civilians, and may have to impose an outright ban.

The informal ban on movement "was the only option available to protect people," said an EU spokesman, Howard Fox. "The whole peace deal," he added, "is not on schedule."

In Sarajevo, a spokesman for the UN force said that British troops had come under fire from a drunken government soldier in Bosanska Krupa, in the northwest, on Saturday. Fire was not returned, and the government army apologized, said the spokesman, Lieutenant Colonel Mark Rayner.

British troops did return fire Saturday in the northwestern town of Sanski Most, shooting off 62 rounds from automatic weapons after taking 20 sniper bullets from a bunker.

Lieutenant Colonel Rayner warned that the NATO force would use heavier firepower as the situation warrants.

"We don't want to have to shoot at people," he said. But "the ability exists, and is developing all the time, to respond with more" than machine guns. General Walker, too, stressed any firing would draw a more forceful reply.

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End Chechen War, Intellectuals Plead

By David Hoffman
Washington Post Service

MOSCOW — A hundred prominent Russian intellectuals have published an open letter imploring President Boris N. Yeltsin to stop the "fratricidal war" in Chechnya amid reports of heavy combat between Russian troops and rebel forces.

The brief but unusual letter was published on the front page of the newspaper Izvestia under the headline, "Stop the War in Chechnya!" Those who signed it include the elite of Russia's intelligentsia — writers, poets, actors, composers, singers, philosophers and directors.

The letter comes as yet another reminder of the deep unpopularity of the Chechen war, which began 13 months ago when Mr. Yeltsin attempted to crush the rebel separatist movement led by Dzhokar Dudayev. The conflict has taken an estimated 20,000 lives and become a bloody standoff. The capital, Grozny, was devastated in fighting last year, and a more recent battle left the second-largest city, Gudermes, also in shambles.

"Another round of the fratricidal war in Chechnya has shattered the last hopes of the Russian people for the earliest peaceful settlement to the conflict. The senselessness and unpopularity of this war is obvious to everyone," the letter said.

"At the end of the 20th century, when the principle of political settlement even unravels such knots as those in the Middle East and Ulster, the Chechen war appears for the Russian and world community to be a wild anachronism," it added.

Among the signers was Arkadi Volsky, leader of the Russian Union of Industrialists and Entrepreneurs and a Yeltsin appointee to a negotiating team with the Chechen rebels last summer. A disarmament and cease-fire negotiation that began in late July has all but been ignored in recent months.

The letter, which got wide television coverage, comes at a point when Mr. Yeltsin is getting closer to a decision about whether to run for president again in June. He is expected to seek another term, but the Chechen war remains a major political liability.

General Pavel S. Grachev, the defense minister, predicted to Interfax news agency that the combat would intensify. He said the rebels were now capable of "large-scale military actions."

Dini Fate to Be Settled This Week

Reuters

ROME — Italy, which has just taken on the European Union presidency, begins a turbulent political week as Parliament debates the fate of Prime Minister Lamberto Dini and his government.

Mr. Dini offered his resignation at the end of December, as promised, only to have President Oscar Luigi Scalfaro say that Parliament should decide the matter. The prime minister, a technocrat, accepted his appointment on the understanding he would leave by the end of 1995. He is due to open the debate in the lower house on Tuesday.

Before that, the former central banker meets the European Commission president, Jacques Santer, and his team of commissioners in Rome on Monday for talks starting the rotating six-month EU presidency, which Italy assumed Jan. 1.

Many Italian commentators expect that Mr. Dini will remain in office for the term of Italy's EU presidency. The question should be clarified by the end of a week.

Italy has been without an elected government since Silvio Berlusconi was forced to resign as prime minister in December 1994 after just seven months in office.

Although Mr. Dini has offered his resignation, his backers are against him standing down. Mr. Berlusconi has hinted that his Freedom Alliance would not seek a no-confidence vote, but the far-right National Alliance led by Gianfranco Fini has talked of calling one. Pierferdinando Casini, an ally of Mr. Berlusconi's in the center, has said that if Mr. Fini presents a no-confidence motion he will be on his own.

The Northern League, led by fiery federalist Umberto Bossi, who potentially holds the balance of power, has also raised the possibility of a confidence motion once the outcome can be assured to be in the prime minister's favor.

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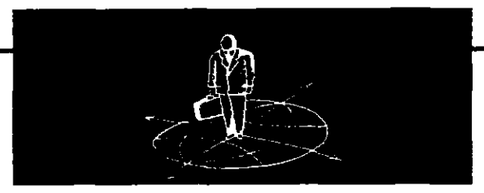
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INTERNATIONAL



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BOMB IN BASTIA — Police bomb disposal experts searching through debris outside the Schools Inspectorate building Sunday in Bastia, Corsica. Separatists took responsibility for the overnight attack.

Speedy Elections in Japan Unlikely

By Nicholas D. Kristof
New York Times Service

TOKYO — As politicians grapple in the prelude to the selection of a new prime minister, demand is growing for speedy elections to choose a new government.

Editorials in all Japan's major national newspapers are calling for new elections, and the opposition is excoriating the government for not going to the voters and instead simply handing the prime minister's residence from one party in the coalition to another.

Ryutaro Hashimoto, the strong-willed trade minister and president of the Liberal Democratic Party, which has dominated Japan for most of its post-war history, is expected to be named prime minister on Thursday. He would replace Tomiichi Murayama, the head of the Socialist Party, which is also in the coalition, after Mr. Murayama's unexpected resignation Friday.

Mr. Hashimoto and his allies have been openly contemptuous of the idea of new elections, suggesting that they were unnecessary and would impede planning for an economic recovery.

"We must avoid at any cost having cracks in the economy," Mr. Hashimoto declared, in criticizing the demands for new elections. Priority must be given, he said, not to campaigning but to efforts to lift Japan out of its four-year-old recession.

Preparations seemed to be going smoothly for Mr. Hashimoto to become prime minister, but he is likely to face continuing criticism for his reluctance to call new elections.

The Yomiuri Shimbun, Japan's largest-circulation newspaper, suggested Saturday that a deal had been struck under which Mr. Murayama handed the prime minister's job over to Mr. Hashimoto in exchange for Mr. Hashimoto's promise not to call elections for at least six months.

The newspaper reported that Koichi Kato, the secretary general of the Liberal Democratic Party, made the proposal last month to Wataru Kubo, secretary general of the Socialist Party, which Mr. Murayama heads.

The advantage to the Socialists — and to New Party Sakigake, the third party in the coalition — is that they are expected to be virtually obliterated in a general election, so they want more time to organize for it.

The report of such a bargain is likely to add to the irritation at the governing coalition for swapping the prime minister's post between parties without calling elections.

"We strongly object to political parties playing a game of collusive musical chairs for the prime ministership," the Asahi Shimbun, a major daily, declared in an editorial. The next elections must be held by July 1997, and they are expected to be particularly hard on small parties because of a new electoral system.

In the past, each district could elect several legislators, which tended to mean that minority parties could at least hope to get one seat in a district.

But now Japan has moved primarily to single-seat constituencies, so that a party that has 10 or 20 percent support spread evenly across the nation might not win any constituencies at all.

The Liberal Democratic Party is still expected to win a general election, an official in the opposition New Frontier Party acknowledged. But no one really knows how the new system will work, except that it will hurt the two minor parties in the ruling coalition.

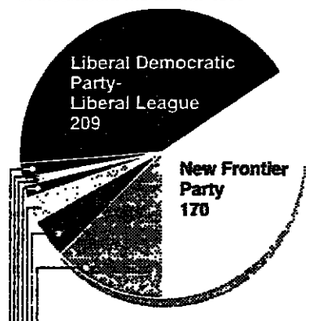
The opposition appears to be seizing upon the demand for new elections to batter the governing coalition. The opposition, headed by Ichiro Ozawa, the president of the New Frontier Party, is also attacking the coalition's decision to use taxpayers' money to bail out failed housing loan companies.

Mr. Hashimoto and the coalition, on the other hand, are trying to shift political attention to the New Frontier's connections to a Buddhist organization called Soka Gakkai.

The Soka Gakkai is an important source of votes for the New Frontier, but is unpopular with some members of the public who regard it as a dangerous cult.

Japan's Lower House of Parliament

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Social Democratic Party of Japan	63
New Party Sakigake	22
Japanese Communist Party	15
Group for Democracy	6
Alliance of Democratic Reformers	3
Independents Club	2
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IHT

BUDGET: *Republicans Welcome Conciliatory Move by Clinton*

Continued from Page 1

programs as the Medicare and Medicaid health programs, while raising some taxes. Democrats said it provided for less jolting cuts in the social programs than the Republicans want, while closing tax loopholes for the wealthy and for corporations.

The important thing, said Senator Trent Lott of Mississippi, the majority whip, is that the two sides can now "talk apples to apples."

The president's proposal was certified by the Congressional Budget Office as leading to a balanced budget by 2002. Republicans had insisted on such certification; Mr. Clinton had resisted the demand, saying the congressional agency's assumptions on economic growth were too pessimistic.

It was clear Sunday that some of the more intractable differences on budget priorities remain to be dealt with.

The Clinton proposal, for example, calls for savings on Medicare of about $102 billion over seven years; Republicans say twice that much must be saved.

When Mr. Lott was asked on CBS whether the two sides could split their difference on Medicare, he replied, "Clearly that can be done." But Treasury Secretary Robert E. Rubin, asked the same question on NBC, said there could be no such compromise on Medicare.

Mr. DeLay, Republican of Texas, was highly critical of the Clinton proposal, saying that "this president doesn't want an agreement." But he said that by mid-February, "the president will be under such pressure that he will have to come to the table and negotiate in good faith."

That pressure will come in part, he said, from the threat of a government default on its debt, which would be the first in American history.

That threat first rose in the fall, when Republicans linked an increase in the debt ceiling to an agreement on the budget. Mr. Rubin had to draw on government pension funds to avert a default.

On Sunday, Mr. DeLay repeated the assertion of some Republicans that Mr. Rubin had been "looting" trust funds in a way that was dangerously close to illegal. "If corporate America had done what he has been doing," Mr. De Lay added, "they would be in jail right now."

Mr. Rubin, however, said there would be no problem on the debt "until the middle of February."

He said the government had "not yet found a measure" to provide the additional funds to avert a default. But a default, he said, "will not happen."

AGENDA: *Showdown Time Arrives in Budget Negotiations*

Continued from Page 1

publicans accept it as a good faith effort, the move will have the immediate effect of ensuring a return to normal of the entire federal government, at least until Jan. 26. While the legislation approved late Friday put workers back in their offices, it did not approve full funding for a number of programs.

Still, in the view of administration and some Republican officials, such a move by the White House might have more significance for public relations value than as a step toward a budget deal.

Republicans can, and will, claim that an agreement to reach a real balanced budget by the year 2002 using real numbers is the major outcome of the talks, since both sides would have signed on to that bottom line. The White House can and will claim that the president has shown yet again that he is negotiating in good faith and is committed to balancing the budget.

Preliminary analysis of the Senate plan shows that it meets the Republican requirements. But the plan differs from the latest Clinton proposals in major and minor ways, and it is in some respects further from the Republican plans than the fourth and latest of Mr. Clinton's proposed budgets. Putting the Senate Democratic plan on the table does not get Mr. Clinton any closer to the Republicans on the key issues.

"It's a symbol, a very important symbol because it is a gesture from the White House that they are serious about reaching an agreement," said one Republican. But, he said, "Yes, it's more symbolic than it is real policy."

An example of how the public fight obscures negotiating reality is Medicare.

The Republicans' public proposal provides for $201 billion in Medicare savings over seven years. Mr. Clinton's latest offer provides $97 billion in such savings. Should the White House adopt the Senate Democratic budget as their seven-year budget, the Medicare savings, $89 billion, is even smaller.

But House Republicans and some conservative Democrats announced an agreement late Friday on $168 billion in Medicare savings; the White House has been trying to get the Congressional Budget Office to "score" their savings as more than the $97 billion, making the difference between those two the true gap to be bridged.

Similar maneuvering is occurring on tax cuts. Underlying the tax issue are how much of a capital gains cut the president will accept and how much the Republicans will scale back their middle-class tax cuts, as both sides protect themselves against the ultimate charge: Cave-in.

One dubious administration official said, "Let's assume you can make progress on the big issues. Then you go into the weeds on the hundreds of other smaller issues, some of which are genuinely deal-breakers. What we are going to know after the next few days is whether a huge effort makes it possible or impossible."

If not, Republicans have an exit strategy that amounts to a concession that you cannot run a revolution without a president. The Republican strategist Bill Kristol, in his magazine, the Standard, and in an interview, said Republicans should make one last big effort to get an agreement with the president now and then call it quits, even though that would mean the central policy changes they campaigned on would be lost and their mantra — promises made, promises kept — would have to be abandoned.

"Republicans should have the courage to walk away and say the only thing between a balanced budget and the American people is Bill Clinton," he said.

Mr. Clinton, too, has a rough exit strategy, which is about the same whether or not there is a budget deal. The argument is that he went the extra miles to get the balanced budget he wanted, but that the Republicans would not budge from their mean-hearted extremism. His side of the equation is that the only thing between Republican extremism and the American people is his re-election.

BOSNIA: *Serbian Military Is in a Be-Nice-to-Americans Mood*

Continued from Page 1

er 3d Brigade officer, told the Americans. "We know you're not here to take one side or the other. Let us know what we can do, and we'll do what we can." So U.S. troops found themselves guests of the adversary that NATO warplanes battered with bombs only four months ago. For many, it was a bit weird — from the split-fingered Serbian salutes tossed at them to the restaurant Musak playing "It's a Small World."

"It feels great to get out here into the countryside," said Lieutenant Bill Donovan. "But it's still eerie."

The convoy of 13 Humvees and 46 paratroops was an effort to show NATO's presence where none had been visible. Lopare, a coal mining town in a hilly region reminiscent of Appalachia, will fall in a zone to be patrolled by Russians. But the 1,500-man Russian brigade has been slow in getting here and thus the 3d Battalion of the 325th Airborne Combat Team was ordered "to see and be seen," as Brigadier General Stanley F. Cherrie, deputy commander of the 1st Armored Division, put it.

The operation also foreshadowed the kind of patrolling U.S. troops intend to undertake throughout their sector for the next year. Rolling out the gates of Tuzla air base at 10:30 A.M. on Thursday, the convoy bristled with machine guns and grenade launchers as it crossed the shattered no-man's-land to the east and passed the Serbian checkpoint at Memici, unchallenged.

Although Lopare lies only 10 kilometers (16 miles) northeast of Tuzla, the expedition would take six hours and cover nearly 160 kilometers since routes Kansas and Georgia (code names for the two mountain roads snaking across the confrontation line into the Russian zone) are so badly damaged as to be impassable. Upon reaching the Serbian border on the river Drina at Zvornik, the convoy turned north to Bijeljina. Children waved; Serbian soldiers stared, hands stuffed in their pockets with studied indifference. Peddlers lined the road, selling gasoline from jugs. Army engineers stopped periodically to take bridge measurements for the Russians, drawing small knots of rubbernecks.

"Do you think they even realize we're U.S. forces?" Lieutenant Colonel Curtis M. Scaparrotti, the battalion commander, mused aloud. "We have markings on the vehicles, but they're so muddy it's hard to read them. Next time we come, I think we'll put a couple of small American flags on the lead vehicle."

In Lopare, there was no doubt who the strangers in town were. Arriving at dusk, the paratroops parked behind the closed department store, lugging their weapons and equipment to the second floor. Within an hour, a command post had been established in the confectionary department while cots sprouted in sporting goods, electrical appliances and musical instruments. Within two hours, a festive crowd of three dozen young Serbian men and women had gathered in the parking lot to admire the Humvees and chat up the soldiers, who thumbed through their phrase books in search of clever pickup lines.

Meanwhile, Colonel Scaparrotti visited 3d Brigade headquarters down the street. He and several aides were ushered into a small conference room, where an ornate map with a Cyrillic script displaying the ebb and flow of fighting west of Lopare adorned one wall, a photo of a finger-jabbing General Mladic another.

For an hour over maps and coffee, Serbian and U.S. officers discussed routes, mines and the coming of the Russians with professional detachment and a minimum of political pontification. Colonel Ikonic a tall, thin man wearing tortoise-shell glasses and chain-smoking Partner cigarettes, promised to detach two of his soldiers as guides through the minefields.

Then dinner. Again the talk was polite and professional. Colonel Ikonic attempted to explain General Mladic, widely viewed as an archvillain in the West. "Mladic is very important to our people," he said. "He's a big soldier and was once the corps commander in this sector. Not everyone agrees with what he did, but strangely, his popularity has risen anyway."

The U.S. officers nodded politely, exchanging surreptitious glances.

The conversation zigged and zagged from Yugoslav basketball to Muhammad Ali to interethnic marriage. Slobodan Bogdonovich, owner of the hotel and clearly a power broker in town, wanted to know "why John Wayne got all the beautiful girls and I didn't get any?"

Instead of saying good night to Colonel Scaparrotti, whose family hails from the Adriatic coast of Italy, Mr. Bogdonovich said, "O sole mio!"

NET: *The Pope Is Now on Line*

Continued from Page 1

said one American. Another said that knowing the Pope was on the Internet gave him "a feeling of being close to God."

Other messages were more concrete. A Chinese woman took issue with a spelling error in the Chinese translation of the Christmas message. A man in Florida asked when he could expect the next message from his new correspondent. An American woman wanted the name of a seminarian who tripped during the Christmas midnight Mass at St. Peter's Basilica.

But there were also thorny questions that would require a theologian's response. One was from a woman in Latin America who wanted to know if she would see her loved ones in heaven and another from an American Indian spiritual leader about the differences between "our God and that of the Catholic Church."

To date, the Vatican has received 1,200 personal messages from 71 countries, most of them addressed to the Pope. Joaquin Navarro-Valls, chief spokesman for the Vatican, said the Pope had seen only a sampling and would send out a single standard reply, offering his greetings and promising his prayers.

The Pope has a computer but rarely uses it, even though his interest in science has made him an enthusiast, his spokesman said.

"He has never used a typewriter," Mr. Navarro-Valls said. "And I don't expect him to change. It is hard for me to imagine the Pope working on a computer."

The Vatican on-line service is in an experimental stage, but it is eventually expected to make a library of papal messages and church documents available to scholars, clerics and laity.

Eventually, users will also be able to put questions directly to strongholds of the Catholic faith like the Sacred Congregation for the Doctrine of the Faith, whose rulings on birth control, celibacy, women as priests and other issues are controversial.

The messages have been an eye-opener for the Vatican.

"It is a little bit revealing of the difference between what we think people think about religious matters, and what they really think," Mr. Navarro-Valls said. "We can theorize and conceptualize, but this way, we see what really preoccupies them."

Bulgaria Bridge Fails

Reuters

ELKHOVO, Bulgaria — Divers retrieved four bodies Sunday, including that of a 12-year-old girl, from the icy waters of the Toundja River in southeastern Bulgaria, bringing to seven the death toll from the collapse of a footbridge on Saturday.

MINITEL: *France Is Revving Up for Internet*

Continued from Page 1

ingredients in other countries that we had here."

Those ingredients included a centralizing government with the political will to introduce conceptually advanced technology, and a monopoly telecommunications operator. Minitel also required huge investments to develop its message-switching network, called Transpac, and integrate it with the ordinary telephone system.

Over the past 20 years, France has invested 56 billion francs ($11.4 billion) in the Minitel system.

The Minitel terminals began appearing in homes in selected regions of France in 1981. To prime the project, the telecommunications company simply gave away the terminals, which cost 1,000 francs (about $200) apiece. In comparison with the clunky and expensive computers of the early 1980s, the compact terminals looked stylish and futuristic. Industry analysts say the French failed to exploit their advantage because by the time they were ready to take it to market, other countries realized that it was fundamentally an appliance whose technology was rooted in its 1980s design. This has become an increasing handicap as the Internet, which is based more on software and ideas than on hardware appliances, has grown faster and gone shooting off in more directions than people could have imagined 10 years ago.

Since 1992, the Internet has grown 50,000 times faster in the United States than in France, according to the Mark Lottor Domain Survey, a source of cyberstatistics.

While net surfers enjoy graphics, sound, moving images and the ability to click around the world in a few seconds, Minitel users have to content themselves with a slow, monochrome text-based system with rudimentary graphics.

It is nevertheless a huge money earner for France Telecom, which shares the income with about 25,000 providers of on-line services. Last year, the system received nearly 2 billion calls, logged 110 million hours of connection time and did 6.6 billion francs worth of business.

"Minitel still has many good years ahead," said a spokesman for France Telecom, emphasizing that it and the Internet are considered complementary rather than competing systems. He added that its slow speed and lack of graphics capability were no handicap in providing the kind of services that will satisfy most people most of the time.

These include consulting telephone numbers anywhere in France and in an increasing number of other countries, making travel and hotel reservations nationally or internationally and conducting bank and stock market transactions. There is also a highly profitable "Minitel Rose," the equivalent of the Internet's alt.sex.

To give Minitel a new lease on life, France Telecom is introducing terminals that are eight times faster than the 1,200-baud machines from the 1980s.

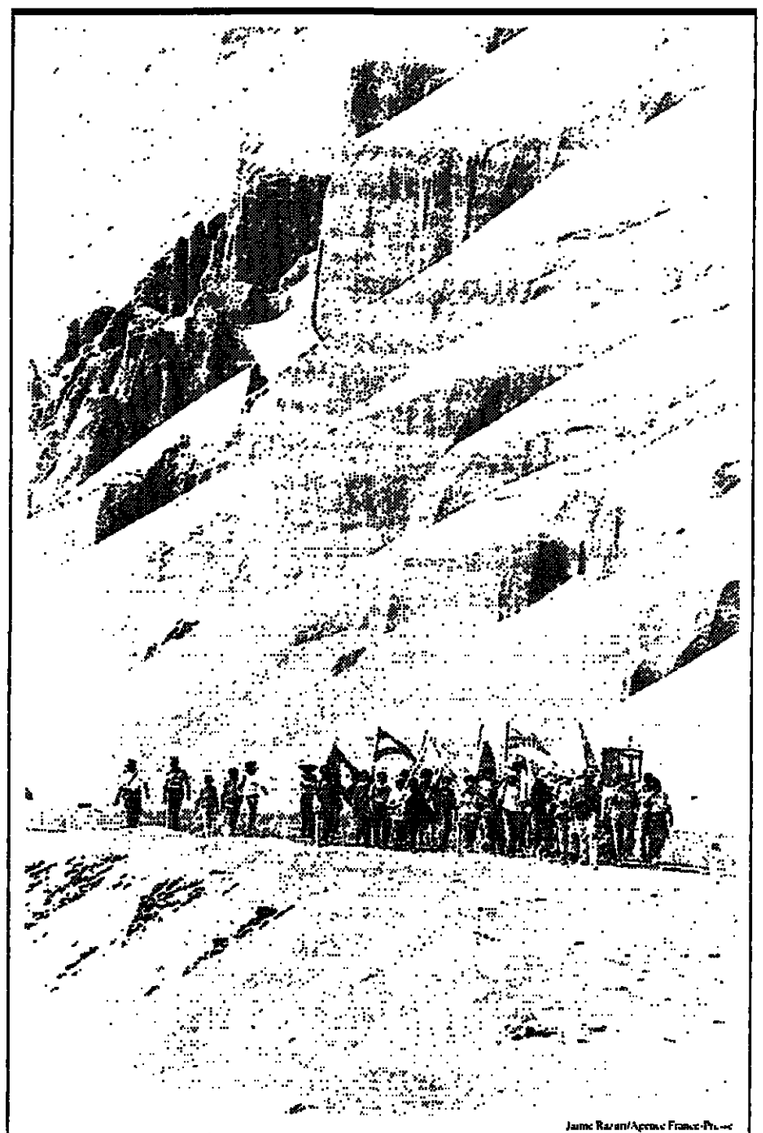
These can handle sound and decent color pictures rather than today's crude graphics. Such jazzier offerings also will be accessible by anyone with a computer and a modem, as are existing Minitel services. France Telecom predicts that most people who use Minitel will continue to do so because of its simplicity and reliability.

It can be expensive — it costs more than nine francs a minute to consult a newspaper data base — but the terminal still comes free, or at a very low rental, and the bill is simply added to the telephone account.

Despite its age, Minitel has a few tricks that the Internet cannot yet match. For example, by lodging the programs and data in cyberspace and offering users a cheap terminal, it was years ahead of those who propose doing the same kind of thing on the Internet.

It has introduced a terminal with a credit-card reader that makes it easy and safe to shop at a distance, something the Internet has not yet been able to solve. Because the card verification software is in the terminal, and does not have to be sent down the line, France Telecom claims that this minimizes the risk of fraud.

Despite such advantages, many experts say the Minitel system is a dead end on the Information Highway. Now, France's principal objective is "to make access to the Internet possible for all French citizens, at a price which is attractive and the same anywhere in the country," in the words of the technology minister, François Fillon. France Telecom was quickly able to meet this target by routing Internet traffic along the same Transpac network it developed for the Minitel.



Jaime Razuri/Agence France-Presse

PILGRIMAGE — Roman Catholics en route from Guadalupe, Mexico, to Buenos Aires, making their way through a mountain pass north of Lima.

EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The Grand Project

The resignation/dismissal of Andrei Kozyrev as Russia's foreign minister extends the upheaval marked by the recent elections in which Communists and nationalists moved in on President Boris Yeltsin from the flanks. Mr. Kozyrev spoke for a Western orientation of Russian foreign policy. Russia has no sensible alternative to such a policy, but its terms and degrees are adjustable, and they may well be adjusted by the more detached policy — not necessarily harder — whose outlines are already in view.

Mr. Kozyrev, at 44 Europe's longest-serving (since 1990) foreign secretary, was a Yeltsin loyalist from the start. Mr. Yeltsin, however, moved away from being a Kozyrev loyalist. One thing the president did was to take the crucial NATO issue out of the Foreign Ministry and to accept it for the presidential issue it is. This may have contributed to Mr. Kozyrev's decision to move from diplomacy to politics, or, more precisely, to work on foreign policy as an elected figure with a political base rather than as a political appointee drawn from the foreign affairs bureaucracy. On Dec. 17 he was elected to Parliament from Murmansk with 67 percent of the vote.

Mr. Kozyrev had become identified with the early-'90s view that Russia's future lay in close integration with the West. In retrospect it is possible to say that this was never in the cards. The West lacked, and still lacks, both a coherent picture of an integrated greater Europe including Russia, and a readiness to provide the resources, including the political space, to give it reality. The torment of Russia's transition from seven decades of Communist Party rule was simply too great to permit a gentle passage to Western partnership. In the gap, Mr. Kozyrev became a fall guy.

Two generations ago, the United States took a bold initiative to re-create and sustain a democratic West. Now it is harder, and there is no boldness. Rather, there is, besides the welcome to democracy and reform, a wariness about how Russia will go internally and how it will use its power.

It is well and necessary to encourage, even with modest means, Russian progress and responsibility. This is what is being done in the effort to find Russia a useful and satisfying place in bringing peace to Bosnia. Separate initiatives, however, are not enough. There needs to be a large institutional framework in which the West, Central Europe and Russia make real investments in mutual confidence and seek out a cooperative way. This is the grand project that awaits the presidents who will be elected in Russia and America this year.

— THE WASHINGTON POST.

Still Waiting for Bildt

The NATO-led military force in Bosnia has met the early challenges of its peacekeeping mission reasonably well. But the parallel civilian oversight mission is starting so sluggishly that it risks leaving NATO forces exposed to nasty local encounters that could disrupt the successful and timely completion of their main military task. Washington and other troop-contributing nations must demand a more focused effort from Carl Bildt, the Swedish politician chosen to lead the civil operation.

Anyone who seriously believed that all the promises made by the Bosnian factions when they reached a peace agreement in Dayton would be put into effect smoothly now knows otherwise. In quick succession, Bosnian Serbs first tried to rewrite the timetable for transferring territory around Sarajevo to government control, then abducted 16 Muslim civilians from a road that NATO peacekeepers had optimistically pronounced safe.

After initially wavering, NATO commanders firmly rebuffed the Bosnian Serb bid to rewrite the Dayton timetable. After accurately insisting that NATO had no formal responsibility to protect civilians, NATO commanders took the only responsible step to end the hostage crisis — they strongly demanded that the Serbs release their hostages, and the Serbs complied. These were important psychological tests, and on Saturday there were new reports of civilians detained. If the Serbs see that they can push around the NATO force as easily as they pushed around the United Nations force that preceded it, the Dayton agreement will quickly crumble.

The main mission of the peacekeeping troops is to supervise the separation of Bosnia's rival armies and their redeployment to the new lines accepted at Dayton. Under the plans agreed to by troop-contributing nations, the peacekeeping forces are to deal only with armies and military matters. If the forces are to achieve their objective and get out on schedule, they will need to leave diplomacy to the diplomats and keep their involvement in civilian issues, like the taking of civilian hostages, to a minimum.

Overseeing the security of Bosnian civilians and their right to travel freely is the responsibility of the parallel civil mission and its international police force. But the head of that mission, Mr. Bildt, has been shockingly slow in taking up his duties. Although he insists that his other job as leader of Sweden's parliamentary opposition will not distract him, he did not manage to arrive in Bosnia until late last week.

Despite the evident danger to Bosnian civilians, Mr. Bildt still seems in no rush to assemble the international police monitoring force that is supposed to oversee local law enforcement. He wants NATO's heavily armed forces to establish an atmosphere of compliance with the provisions of the Dayton agreement before his lightly armed and unarmed civilians go into operation.

That would make life easier for Mr. Bildt and those working under him, but it could undermine the whole mission in Bosnia. Civil police supervisors are certainly capable of monitoring the treatment of civilians and raising any infractions to diplomatic visibility so that the Western powers can bring pressure to bear. To leave the task much longer to military commanders would create unacceptable risks for the NATO force on which peace ultimately depends.

Indeed, NATO and Pentagon planners deliberately designed the Bosnian peacekeeping operation to avoid repeating the disastrous mistakes made by the international peacekeeping force in Somalia. There a vague definition of the military role allowed objectives to slide carelessly from protecting famine relief workers to pacifying warlords to waging war against one warlord and thousands of his followers. If that pattern is repeated in Bosnia, NATO forces could become embroiled in scores of local showdowns over civil issues instead of assuring that the rival armed forces pull back from the old front lines and that the newly agreed boundaries come into effect. At the end of a year, when NATO forces are supposed to pull out, their basic objective might remain unmet, and the whole idea of international peacekeeping might be further discredited.

There is no need to take such risks. The countries that have entrusted Mr. Bildt with the civilian mission must insist that he perform his job more energetically and consistently — or they should find someone else who will.

— THE NEW YORK TIMES.

Other Comment

What Kind of South Africa?

What kind of culture do we want in our new, or rather slightly used, South Africa? We have been through a tribal culture, a colonial culture, an apartheid and a struggle culture. We are still trying to rid ourselves of the culture of entitlement which has bedeviled so many people, turning them from shining strivers to angry, even petulant, demanders.

We also face, in this new year, the task of ridding ourselves of the culture of impunity, a pernicious and pervading set of values which allows car hijackers, armed robbers, KwaZulu-Natal's political thugs and the many practitioners of corruption to believe that they will not be caught, that if caught they will not be sentenced, and if sentenced will not serve their terms in jail.

As we moved away from the past and its horrors by cleansing our jails of political offenders and petty thieves wrought by apartheid's injustice, we allowed this new parasite to flourish. Those who seek to feed on it must be taught a lesson this year.

— The Star (Johannesburg).

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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel.: (1) 41.43.93.00. Fax: Circ., (1) 41.43.92.10; Adv., (1) 41.43.92.12. Internet: IHT@eurokom.ie
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7788. Fax: (65) 274-2334
Mng. Dir. Asia: Rolf D. Krumpohl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax: 852-2922-1190.
Gen. Mgr. Germany: T. Schlüter, Friedrichstr. 15, 60323 FrankfurtM. Tel. (069) 72 67 53. Fax: (069) 72 73 10
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785
U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254.
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Can't Do on the Potomac, Can Do on the Sava

By Jim Hoagland

WASHINGTON — Has America ever sent out a more mixed message about its spirit and strength than it did in the opening days of 1996? Two incompatible images dominate, competing to define U.S. interests and intentions at home and abroad. The confusion they create cannot endure.

The first image is the near hubristic American ethos that has reshaped and guided the world for the past half-century: the upbeat, can-do, only in America spirit displayed by the American troops who hurled a line of steel across the raging Sava River and moved into Bosnia to oversee a fragile peace.

The competing spirit is the can't-do-ism that has locked Congress and the White House in a budget war more about power and mission than money. The politicians on the Potomac took the optimistic altruism of the GIs on the Sava and stood it on its head. The cynicism and selfishness that some lawmakers displayed — a paycheck-drawing Phil Gramm wondering if anybody misses government yet comes to mind — would do any Balkan warlord proud.

This contrast between military can-doism and political paralysis is not fully explained by the differing worlds of soldiers, who deal with the concrete and quantifiable, and of politicians, who devote themselves to the abstractions of causes and rhetoric.

Two visions are at war with each other on a battlefield of ideas that spans the globe. Senator Gramm would shut down federal operations along the Potomac and along the Sava. He and others on the isolationistic far right (and far left) understand that an America optimistic and altruistic abroad is more likely to be that way at home as well.

It is not coincidental that America's greatest involvement in world affairs and greatest expansion of governmental responsibility for its own disadvantaged or temporarily displaced citizens occurred in the past six decades. Depression, followed by economic growth in war and peacetime, made a series of government safety nets first necessary, then possible at home. Buoyed by its own success, America did become the world's shining city on a hill.

For most of this century, one country did set a standard of international generosity and responsibility that others aspired to, mocked or sought to thwart, but could not ignore.

Vietnam taught Americans to distrust abstraction and rhetoric, and their own historical optimism, when lives are at stake. In Indochina, Chile, Greece and elsewhere American policy and presence abroad were seen on the left as inherently evil. Those perceptions sparked the McGovernite "Come Home America" movement, which today in its new version is headed by Mr. Gramm, Pat Buchanan and other conservative ideologues who see the world infecting America as clearly as Abbie Hoffman once saw America infecting the world.

The line that runs from the Sava to the Potomac is also visible in the conciliatory approach on both the Bosnian operation and the federal shutdown by Bob Dole — the only presidential contender who is a combat veteran. He was willing to compromise on sending ground troops to Bosnia and on sending federal employees back to work.

President Bill Clinton's belated activism on both the domestic agenda and Bosnia stems far more from political calculation than from optimism. Even so, that activism is consistent with the creative force that America has put into building the international ethos of the past half-century.

It is the very presence of young American men and women in the Balkans, more than their firepower, that is likely to change history for the better. I try to imagine what the Serbs, Croats and Bosnians who saw these young giants descend from stormy skies to perform logistical miracles in the mud thought about the nation that sent them.

These Americans are suitably wary of what they are being asked to do because of Vietnam. But theirs is the opportunity of a lifetime — to show the rest of the world, and their fellow citizens as well, America being all that it can be.

The Washington Post.

Get in Your Car, Hafez, for a Short Drive to the Israeli Border

By Thomas L. Friedman

WASHINGTON — Secretary of State Warren Christopher travels to Damascus this week in another bid to persuade President Hafez Assad to make a dramatic leap forward in peace talks with Israel. Wouldn't it be nice if Mr. Christopher said this?

"Hafez, it's good to see you again. Would you mind if we set our chairs facing each other for once. Talking for nine hours with our chairs side by side gives me a terrible pain in the neck.

"Hafez, this is my 15th visit to Damascus. That's a lot of visits. I've only been to China once, Moscow four times, Mexico once and Japan four times. But this will be my last. Because I have just one brief message for you: You are living in a world of illusions if you think that any Israeli government is going to give you the Golan Heights back without you making a sincere, personal and emotional overture to the Israeli people — without you making a psychological breakthrough.

"You keep refusing to do that. Instead, you get lost in nitpicking details or in sending smoke signals that only a Middle East expert could understand.

"Sometimes, Hafez, I ask myself, 'What planet are you living on?' Israelis have had Anwar Sadat address their Parliament in Jerusalem. They have had King Hussein eulogize their prime minister at Mount Herzl military cemetery. Do you really think they are impressed by news reports that your ambassador to America took off his tie when he met with Israeli negotiators in Washington last week?

"Let's see, King Hussein buried Yitzhak Rabin, Anwar Sadat hugged Golda Meir, and your ambassador took off his tie — but wouldn't allow photographers to take his picture! C'mon, get serious.

"Hafez, the Israelis control the Golan Heights. You want them back. The only way you can get Israel to give them to you is through a deal that is endorsed by a majority of Israelis. But there is no way that an Israeli majority is going to give up the strategic Golan Heights, to the country that has been its bitterest enemy, unless you engage Israelis directly and in a way that signals to your own people that you have irreversibly chosen the path of peace.

"Do not kid yourself. Israelis feel no moral, strategic or economic reason to leave the Golan Heights. The only thing that can induce them to do so is if you paint for them a vivid and appealing picture of what peaceful relations between Israel and Syria would be like — but that is precisely what you and your negotiators refuse to do.

"I know you have your own legitimate strategic concerns, and they must be addressed. But if you want the Golan back on terms you can live with, you have to make this psychological breakthrough with Israelis first, because the Golan is not just any territory for Israelis. It is the symbol of their geographic vulnerability.

"Your challenge is to make Israelis look up at those heights and feel that they are no more threatening than the border between Norway and Sweden. Your challenge is to make Israelis look at those heights and say to themselves: 'What is important is not what I see before my eyes, which is Syria on the high ground and Israel in the valley, but rather what I feel coming from Damascus, which is a new sense of reconciliation, integration and acceptance.'

"You keep looking to me to pressure Israel. But only you can do that. Only you, by creating a psychological breakthrough inspiring a real, popular, Israeli movement that will press the Israeli government for a deal with Syria.

"So, I'll be on my way now, Hafez, and I won't be back. Because I realize that my frequent visits here have only been getting in the way. They have been protecting you from having to make a decision, while giving you international approval and regional influence.

"Without this peace process, Hafez, you would be as popular and as relevant as Fidel Castro. I've insulated you from that. In the meantime, I've paid only scant attention to Yasser Arafat and King Hussein, who made the really tough decisions for peace and are struggling to keep it alive, but with little help from me. I'm not going to let that happen any longer.

"In the old days, Hafez, I would have given you my phone number and told you to call when you were serious. But that wouldn't be appropriate now. You and the Israelis don't need a mediator. You need a chauffeur. It's an hour's drive from Damascus to the Israeli border, Hafez. Make that trip, and everything is possible. Don't make that trip, and nothing is possible."

The New York Times.

The Pattern Now Emerging in Saudi Arabia Looks Familiar

By William Pfaff

PARIS — The passage of power in Saudi Arabia, from King Fahd to Crown Prince Abdullah, ostensibly temporary but undoubtedly enduring, comes soon after the November car bomb attack in Riyadh that killed five American government advisers. The events, unrelated, are nonetheless significant to the future of an American Middle Eastern commitment which still lacks the analysis it deserves.

Five decades ago both the oil industry and the State Department were hostile to America's recognition of the newly proclaimed state of Israel. Their argument, which proved to be wrong, was that America could not keep good relations with the oil producers while backing Israel's installation on what had been Arab land.

The oil state leaders actually proved too vulnerable to afford to break with Washington. America found itself in the privileged if paradoxical situation of simultaneous alliance with Israel and several of the nations formally at war with Israel.

Since 1948 the United States has at one or another time had security agreements with oil-producing Libya, Iraq, Iran, Saudi Arabia and the Gulf principalities, all of whose energy resources have been developed and marketed by Western companies. But consider that list. All but Saudi Arabia and the Gulf states are now enemies of the United States. All underwent anti-Western and anti-American coups or revolutions.

King Faisal of Iraq, his former regent and his prime minister all were killed in an uprising in 1958, led by army officers who terminated Iraq's membership in the American-sponsored Baghdad Pact. The United States tried to make an ally of the Ba'ath Party dictatorship under Saddam Hussein which followed, in the late 1960s, but that effort was terminated by war with Iraq in 1991.

The pro-Western Libyan monarchy was deposed in a military coup led by Moammar Gadhafi in 1969. The erratic colonel has interested himself in anti-Western terrorist movements ever since, earning an ineffectual U.S. bombing attack on him and his capital in 1986.

Iran was chosen by Richard Nixon and Henry Kissinger to become America's "gendarme" in the Middle East, and vast quantities of American weapons were pressed upon the shah, whose lavish ambitions and pretensions provoked the popular and religious hostility that caused his overthrow in 1991. An equally extravagant and ambitious fundamentalist regime succeeded, imprisoning American diplomats and devoting itself to the destruction of the American "great Satan" and its allied lesser "Satans."

The same pattern can be seen in each case. Cultural Westernization under foreign sponsorship undermines a traditional way of life and challenges traditional religion. Western alliance and investment produces a perception that foreigners are stealing the nation's wealth. The result is unrest and defections among the elites, as well as popular resentment.

When this is recognized by U.S. diplomats, Washington tries to convince these monarchs to reform and democratize their governments: to win the hearts and minds of their peoples. This often is contradicted by advice in other American quarters to harden repression. In either case, the advice proves useless.

These chiefs of state naturally resist the advice to liberalize, which they see as undermining them, and take the course of repression, whose short-term successes simply stimulate the underlying forces subverting their regimes.

In the end the kings are out, and so are their American advisers, and the American oil companies. (The latter usually come back in by way of foreign subsidiaries or partners). Back in Washington, and in Congress, the hunt begins to find out "who lost" whichever country it was, usually followed by a presidential order to "outlaw" and undermine the new revolutionary government, identified as a "rogue regime."

It is a pattern today well advanced in Saudi Arabia. The U.S. counsels prudent reform. U.S. troops are already stationed there, and Americans now play a role in the kingdom's internal security.

The American Embassy is anxious to find and promote its own successor to Prince Abdullah. The prince is 72 and allegedly considered weak. The London press quotes a former American diplomat in Saudi Arabia, "with close connections to the Clinton administration," as saying, "We need a good, young man at the top ... Unless we get a reformer, things will get out of hand."

The same was said in Baghdad in the '50s, and in Tripoli in the '60s. (It was also said in Saigon in the '60s, but that is another story.) The eventual outcome in Saudi Arabia is likely to resemble the earlier cases.

The strange thing about it all is that it is unnecessary. The U.S. concern is stability of oil supplies and markets. Yet the failure of the great OPEC oil boycott of the early 1970s conclusively demonstrated that oil is valueless unless it is sold, and that its supply can only temporarily be withheld or manipulated for political or ideological purposes.

One of the fundamental lessons of the postcolonial, post-imperialist era is that you do not have to dominate a country or a region to have access to its resources. Business takes care of that. For all of Washington's attention to business, this is a lesson it still has not learned.

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Get Serious About Violent Crime

By A. M. Rosenthal

NEW YORK — Commit a crime and you go to jail. Commit a violent crime, you go for a long time. Commit murder, and good-bye forever. Those concepts are fundamental to the contract that Americans believe they have with their government — they and their children will be protected in the peaceful, lawful conduct of their lives.

Without that understanding, a democracy's citizens face a no-win choice: live under daily danger, or trade in liberties for safety in the street.

Rejoice. Crime statistics show a downward trend around the country and particularly in New York under Mayor Rudolph Giuliani.

All right, enough rejoicing. Some important criminologists warn us that crime will rise again; maybe they are right. But a strong reason for limiting rejoicing time is simply that we can do something more useful as citizens to help Mr. Giuliani and other crime fighters keep the curve down.

We can make sure we do not create the conditions for a rise by fooling ourselves into believing that those concepts in the first paragraph have become reality in America. They are still largely wishes.

Americans may not like thinking so, but prisons are the reason that scores of thousands of them are in condition to welcome this new year. They avoided being murdered, or beaten, raped, shot or knifed by other Americans, who happen to be behind bars currently and so had no opportunity in 1995 to add to their records of killing and maiming.

But perpetrators of violent crimes are far more likely to remain free than see a cell. In freedom, they strike again, often; 94 percent of state prisoners in 1991 were violent or repeat offenders.

In the year before their arrest, state prisoners commit an average of a dozen serious crimes, excluding all drug crimes. Jailing a convicted criminal is not nearly as expensive as the crimes he is likely to commit in freedom — putting, of course, no monetary value on death or blood.

The Senate Committee on the Judiciary got the statistical portrait of crime from John DiIulio, drawn from U.S. Bureau of Justice Statistics reports and other sources. He is on the faculty of Princeton, a director of the Brookings Institution and associated with the enterprising Manhattan Institute.

Americans endure 10 million violent crimes a year. In 1992 only about 3.3 million of these violent crimes were reported to police, about 640,000 led to arrests and 100,000 criminals wound up in prison.

Commit a crime and go to prison — absolutely, once every couple of hundred times. Make it a violent crime and you are out in half the sentence time. Murder somebody — out in 5.9 years.

Ninety percent of all convicted criminals who do go to jail are paroled after serving only 35 to 40 percent of their sentences, and a full third of those who were in prison for a violent crime are rearrested within three years — for another violent crime.

A belief in strong, consistent punishment for crime carries obligations. We have to be willing to pay the taxes to make prisons humane enough to keep our self-respect. We must make prisons places where drug addicts can get treatment, not be provided with more drugs by other prisoners and corrupted guards.

If we do not put up the money and resolve, we risk losing the drop in crime under a landslide of mush that we can get along with fewer prisons, faster parole and shorter sentences for violent crime, or no sentences at all.

Time for another swift break for rejoicing. Now back to the job of thinking clearly about the differences between the justice that peaceful citizens need and the justice that criminals get, about once every couple of hundred times.

The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1896: Cuban Rebels

NEW YORK — The following telegram has been received from Havana regarding the report that the city was in imminent danger of being captured by insurgents: "Havana is well fortified with heavy artillery. The troops number 20,000 and the volunteers 40,000, all loyal citizens willing to bear arms. It is impossible for the rebels to capture the city, unless with siege artillery."

1921: Too Much Fuss

PARIS — [The Herald says in an Editorial:] It is totally inconsistent with the idea of official simplicity which presided at the first organisation of the American Federal Republic that large sums of public money should be expended upon the Presidential inauguration ceremony. Americans are not a theatrical people in their daily, common life, and it would detract nothing in their estimation from the dignity of the office of President if the new incumbent were to step into it without the slightest fuss or fustian.

1946: Soldiers Protest

MANILA — At least 12,000 American soldiers jammed into the shell-battered ruins of the Philippines Hall of Congress tonight [Jan. 7] for a noisy but orderly mass protest against the demobilization slowdown. Boos rang through the hall as an enlisted man read a statement from General W. D. Styer, commanding Army forces in the Western Pacific, explaining the delay in homebound trips. Earlier, thousands of enlisted men marched to General Styer's headquarters and sent in a committee which was told by the general that the "changing international situation" prevented sending all eligible men home at once.

INTERNATIONAL



Jim Hollander/Reuters

Children gazing down from the stained-glass windows of a Gaza mosque to catch a glimpse of the funeral of Yahiya Ayash, killed Friday.

Arafat Accuses Israel Over Killing of Bomber

Reuters

DURA, West Bank — Yasser Arafat accused Israel on Sunday of killing the bomb maker known as "the engineer," calling the assassination of the Hamas militant a violation of the Israeli-PLO peace accord.

"We have made the peace of the brave," the leader of the Palestine Liberation Organization said in a speech. "We are committed to it. We ask the other side not to violate this peace, to enter Palestinian territory in Gaza and kill and assassinate the struggler, the martyr, Yahiya Ayash."

Mr. Arafat's Palestinian Authority, in charge of Gaza and seven towns and hundreds of villages in the West Bank, had already condemned the killing on Friday of the Hamas group's bombmaker, who was at the top of Israel's most-wanted list.

Israel, which had blamed Mr. Ayash for masterminding a suicide-bombing campaign that has killed nearly 80 people, has welcomed his death, apparently caused by an exploding cellular phone, but declined to confirm or deny it was responsible.

Breaking two days of silence, Mr. Arafat, caught between Islamic rivals and an Israeli peace partner that still has an economic and military stranglehold on Palestinians, pointed an accusing finger but did not threaten to slow the peace process.

"We ask them to stop tampering in Palestinian territory," Mr. Arafat said, referring to the Israelis.

Fearing Hamas will make good on revenge threats, Israel clamped an indefinite closure on the West Bank and Gaza Strip on Sunday, keeping thousands of Palestinians from their jobs.

It also suspended joint Israeli-Palestinian patrols in PLO-ruled areas after Mr. Ayash's funeral on Saturday in Gaza.

Initial investigations revealed that Mr. Ayash, 30, died when a cellular phone packed with 50 grams (2 ounces) of explosives blew up. His body was found in a house in the Gaza Strip village of Beit Lahya.

PLO officials said they feared the assassination could have an impact on Palestinian general elections, only two weeks away, by persuading voters to boycott the Jan. 20 poll as Hamas has demanded.

Mr. Ayash's deadly exploits, including a bus bombing in October 1994 that killed 22 people in Tel Aviv, were viewed as heroic by many Palestinians.

■ Israeli-Syrian Talks

Israeli and Syrian negotiators have concluded six days of preliminary talks on a possible peace agreement that Secretary of State Warren M. Christopher said were marked by "a new sense of pragmatism" and a "mutuality of purpose" that were missing in the past, The New York Times reported from Washington.

"Everything is on the table now," Mr. Christopher said in an interview.

In the past, Israel and Syria would get stuck on particular contentious issues that made it almost impossible to bargain in a broader context, he said. "I found an erosion of the suspicion and a diminishing of the prejudice," he said.

LANGUAGE

Why It's Not 'Heimlich Squeeze'

By William Safire

WASHINGTON — You're sitting at a luncheon given by the Eleanor Naylor Dana Charitable Trust. You sneak a look at the place card of the guy next to you. It says, "Henry Heimlich, M.D." To make conversation, you pop the question he must be asked by everybody: "You any relation to the Heimlich of the *Heimlich maneuver*?" He replies, "I am he."

Here is the guy who developed the technique to save the life of someone with a piece of food stuck in the windpipe. The rescuer gets behind the person who's turning purple, places a fist between the lower ribs and upper abdomen, exerts sudden pressure upward — and out pops the foreign object, enabling the swallower to breathe.

You choke down the urge to point out that "I'm him" is replacing the formally correct "I am he" and ask instead the question on the mind of every language maven: why is it called the Heimlich *maneuver*, and not the Heimlich *method* or technique or even *squeeze*?

This thoracic surgeon's name is in almost all the dictionaries now.

"My original name for it was *subdiaphragmatic pressure*," the doctor replied. "In June 1974, three editors of the Journal of the American Medical Association called me to say that they wanted to name it after me, and did I want to call it a *method* or a *maneuver*? I asked what was the difference in meaning. They said that a *maneuver* was a procedure involving an expert movement, while a *method* involved a series of steps, as in a urinalysis, and I shouted, 'Call it a *maneuver!*' "

This thoracic surgeon's name is in almost all the dictionaries now, like the liveryman Thomas Hobson of *Hobson's choice* (no choice at all), the engineer Edward Murphy of *Murphy's law* (if anything can go wrong, it will), and the astronomer Edmund Halley of *Halley's comet*. (Lexicographers are still unsure about Werner Heisenberg of *Heisenberg's uncertainty principle*.)

In Hispanic countries, the sharp upward yank is called *Heimlich maniobra*, and in Germany, *Heimlich Handgriff*, since the doctor's name means "secret" in German, the phrase translates as "the secret handclasp."

"My name, a proper noun, has now become an adjective modifying *maneuver*," notes Heimlich, 75, who is now working on a treatment for AIDS using malarial fever. "It is also a noun, as in 'I gave him the Heimlich,' and a verb, 'I Heimliched him.' A great thrill, really."

❑

Headline writers, who search for short words (nobody else uses *decry*), were having fits. In the '80s, *African-American* (15 characters plus a hyphen) had replaced *black* (five characters) as the self-description of preference among leaders of the race that was once called *Negro*, from the Spanish word rooted in the Latin *niger*, meaning "black."

Having established the preferred usage in news media generally unresistant to the change, most African-Americans found the handle to be a mouthful in a linguistic era that tends to shorten long terms. When the Department of Labor surveyed 60,000 households about the names of race and ethnic categories to use in job statistics, *black* was the choice of 44 percent of blacks. Those who preferred *African-American*, added to choosers of the earlier *Afro-American*, totaled 40 percent, an impressive showing for a relatively new designation. (Only 3 percent picked *Negro*, and 9 percent had no preference.)

The government figures substantiate what language mavens have been hearing and seeing in the '90s: even when the longer term is used on first reference, *black* is the noun of second reference and is almost always used in headlines. It's safe to say that, even among those most sensitive to group preferences about nomenclature, *black* is back.

Meanwhile, in the *Hispanic* community (58 percent in the Labor survey; the term *Spanish-speaking* is politically charged, and was chosen by 12 percent), the newcomer, *Latino*, has been making a move (to 11 percent from a standing start). But the growing usage may hit a glass ceiling: "The difficulty is," writes John T. Rourke, professor of political science at the University of Connecticut, "that two female graduate students tell me that they are not *Latinos*, but *Latinas*. These *Latinas* contend forcefully that the use of the male *o* to designate all members, male and female, of that group is egregiously sexist."

Here's a thought: why not refer to a *Latino* as a "Latin"?

New York Times Service

Q&A / John McCain

Why Senate Skeptic Backed Bosnia Mission

Senator John McCain, Republican of Arizona, was a navy fighter pilot during the Vietnam War. Earlier this month, he helped secure a Senate vote to endorse the American role in the Bosnia peacekeeping mission. He spoke in Washington with Brian Knowlton of the International Herald Tribune.

Q. You, as much as anyone in Congress, know the high costs of war, and yet you and Senator Bob Dole, in a politically unpopular move, pushed for a Senate endorsement of the Bosnia mission. Why did you consider this important?

A. I had been a long-time skeptic, if not outright opponent, of our Bosnia policy. Senator Dole and I and others were strong proponents of lifting the arms embargo. But when the president made his commitment, committing not just Bill Clinton but the United States of America, the entire situation changed.

There were significant negative costs associated with repudiating such a commitment — one, the credibility of the United States, two, the lasting viability of NATO, and three, the assurances of leaders of the participants in the war that the conflict would be reignited.

I have no doubt that the Congress has the authority to cut off funding, but that was not going to happen. When you vote to cut off funding, with American troops already there, whether you intend to or not you send a message to those troops that you don't support what they're doing.

One factor here: We have a lot of new members of Congress, people who have not had involvement in national security issues. They reflect an appeal to isolationism which is manifested in the Buchanan campaign, but they also manifest a lack of appreciation of the U.S. role in the world.

Q. Indeed, some people are questioning the long-held assumption that the United States wants to remain a global leader.

A. It's a great question in people's minds. But part of that also is a failure of leadership, both congressional and executive branch leadership, to explain to the American people that we do have vital national security interests at stake in the post-Cold War era. We for a long time said, the Berlin Wall is down, the Cold War is over, everything's fine, so that when we say, oh, by the way, we've got to send 20,000 troops to Bosnia, they say, wait a minute!

•

Q. What about the European reaction to Dayton and the whole Bosnia issue?

A. I think the French were severely, deeply wounded and therefore took some of their anger out on us over this failed policy that they pursued.

Clearly the Dutch, in Srebrenica, experienced a humiliation that I think will scar their military for generations. To have your military peacekeeping forces standing by while atrocities are committed is something you cannot allow your people to be a party to, because they cannot be an effective fighting force after that.

The Dutch are a great nation. What happened is a blot not only on the honor of the Dutch military but on all of us.

Q. Can the Bosnia mission lead to a lasting peace?

A. The crunch time comes around 15 months from now, after we're gone. If we have an adequately trained Bosnian force that can defend itself, then I think that a lasting cease-fire is entirely possible.

I don't expect there to be a coalition government of any permanence, I don't expect people to resettle refugees, I don't expect a lot of the eyewash that was part of the Dayton agreement to ever become reality, but if you can achieve a lasting cease-fire, you can save untold numbers of lives.

Q. How great is the threat of attacks against American soldiers?

A. I see no reason why a member of the Mujahidin would want to take on the 1st Armored Division. Why not wait a year until we're gone?

Q. What about the training and arming of the Bosnian Muslims — surely this will leave the U.S. troops in a compromised situation in the Serbs' eyes?

A. It is clearly not an ideal situation. But I do not believe that there is any credible chance for a lasting cease-fire unless there is some battlefield parity. I have not a doubt that if the Bosnians were perceived as so weak that they could be absorbed at low cost, not high cost but low cost, by either of their neighbors, that it would happen. But if they were equipped, especially with TOW missiles, some heavy armor, some tanks, then I think that we could foresee a stable situation.

Q. Who should do the training? Where?

A. Clearly Turkey is an ideal country where that could take place. They're fellow Muslims, excellent soldiers, a great military, close, a long relationship with the United States; everything lends itself to that.

•

Q. What will Congress's role be now regarding Bosnia?

A. Congress's involvement will be directly driven by the amount of media attention the situation is given. I know it sounds cynical, but it's true. If something flares up, if some Americans die, you'll see micromanagement and intense scrutiny. If things go well, Congress will go along.

Q. Some of his opponents say Clinton pushed cynically for a deal in Dayton that would last until he got the election behind him.

A. I would never question the motive of the president of the United States unless there was clear evidence that this was anything but pure.

At the same time, there's no doubt in my mind what we're going to see on CNN over the next several months: American GIs and Bosnian children together building bridges, highways, roads, schools — basically a very successful operation at the outset, as the initial Beirut operation was, as the Somalia operation was — if I may be so bold, as the pacification effort in Vietnam was at the outset. I think it's even likely Clinton might come out of this with his credentials enhanced.

BOOKS

ASIA RISING

By Jim Rohwer. 382 pages. $25. Simon & Schuster (Butterworth-Heinemann in Asia).

Reviewed by
Philip Bowring

THIS book is an assured success. It will appeal to the many in East Asia who like the warm glow of foreign admiration for the region's achievements. It will also appeal to those Westerners seeking evidence of the West's decline and those anxious not to miss out on Asia's economic opportunities. It is a breezily written hard sell of "the Asia thing" to North America.

Rohwer approaches his subject with all the fervor of the convert. Place an upwardly mobile Western journalist in East Asia for four years and the chances are that he will wax lyrical, or find fault with all achievement.

Rohwer was a correspondent in Hong Kong for the three years that coincided with China's post-Tiananmen economic liberalization under Deng Xiaoping, the country's paramount leader, and with the heightened tempo of growth in Southeast Asia and the start of a reform program in India. He vigorously supported the 1992-3 surge of foreign investment in China and joined critics of Governor Chris Patten's attempts to shape Hong Kong's constitutional future on lines different from those desired by the Chinese.

Rohwer is now an investment banker in Hong Kong.

The flavor of the book can be summed up by the index, which reveals more than a dozen references to Deng and to Singapore's "philosopher king" Lee Kuan Yew. Yet, President Suharto of Indonesia gets only a single mention despite leading a major Asian country for almost 30 years of economic growth and social progress much more impressive, and with less-dictatorial means, than China's achievements over that period.

Nor is there any reference to such key figures in the modern Asian story as Prime Minister Mahathir bin Mohamad of Malaysia or, indeed, of any Malaysian, Thai, or Filipino leaders. There are numerous references to ethnic Chinese businessmen, who are credited with much of the economic success of the region. There is much praise for neo-Confucian authoritarian development models. A more accurate title for the book might be "Chinese Rising."

Rohwer defines Asia to suit his own purposes and lacks any sense of the continuity of Asian development since the mid-19th century.

He moves away from "chopstick" Asia just long enough to give a picture of India's promise and pitfalls. He knows the pivotal role of modern Korea, and of Park Chung Hee's contribution to it.

Generally, the data and background material will serve as a useful introduction to those unfamiliar with Asia.

He acknowledges problems ahead: demographic changes that will mean that newly rich Asian societies will age even faster than those in the West; the weakness of institutional development in many countries; the problems of continuity for family business groups and the scourge of pollution.

Ultimately, it is the voice of the American investment banker that comes through loudest. After admiring assorted beneficiaries of asset price bubbles, Rohwer berates the Hong Kong government for allegedly creating unemployment by following a Western welfare model.

Hong Kong actually spends 7 percent of its budget and 1.4 percent of its GDP on welfare. Most of this meager sum goes as assistance to the elderly, who make up more than 10 percent of the population and who helped create the "miracle." They have seen their savings eroded by the inflation that created the property billionaires.

Respect for thrift and for the old, for social development over a get-rich-quick mentality, for learning over display, for income equality over personal wealth, for nation above self: Are not these the virtues, the "Asian" values, that empowered Japan and Korea, the exemplars of modern Asia?

Philip Bowring is a journalist based in Hong Kong.

WHAT THEY'RE READING

• **Tim Rice**, the lyricist, is reading *"The Next 500 Years: Life in the Coming Millennium"* by Adrian Berry.

"Berry is as perceptive as Arthur C. Clarke, as entertaining as Alan Clark and as logical as Marcia Clark."

(Margaret Kemp, IHT)



BRIDGE

By Alan Truscott

ONE result of the computer revolution is that bridge players can compete from their homes with others who are far away. One of the systems for computer play is OKBridge. This system offers a variety of sophisticated possibilities for duplicate play, as well as rubber bridge.

On the deal shown, played in an OKBridge team game, a spectacular bidding disaster turned into a success. At one table North-South reached a normal four-heart contract and made an overtrick, choosing not to take the heart finesse.

In the replay, North and South were Don Mamula and Tony Reus. They seemed headed for six hearts, which could succeed, rather luckily. The six-diamond response to Blackwood was intended to show one ace and a void, but South was not on the same wavelength and bid seven notrump.

East doubled, hoping that his partner would read this as Lightner, in which case the unusual lead would be a spade. A winner in dummy's heart suit could surely wait. But West, too was not on his partner's wavelength. The grand slam was unmakable on any lead, but West's choice of the club seven confused East. He assumed that South held A-Q-J of clubs, and played low.

South won with the eight, finessed in hearts, ran that suit, and wound up squeezing the unfortunate East in spades and diamonds to win 18 imps for his team.

NORTH (D)
♠ 8
♡ A Q J 9 7 6 5 2
◇ K 9 8 5
♣ —

WEST	EAST
♠ J 10 4 2	♠ A 9 7 5
♡ K 10	♡ 8
◇ 7 6 3	◇ Q J 10
♣ Q 10 7 2	♣ K 9 6 5 4

SOUTH
♠ K Q 6 3
♡ 4 3
◇ A 4 2
♣ A J 8 3

North and South were vulnerable. The bidding:

North	East	South	West
1 ♡	Pass	1 ♠	Pass
4 ♡	Pass	4 N.T.	Pass
6 ◇	Pass	7 N.T.	Pass
Pass	Dbl.	Pass	Pass
Pass			

West led the club seven.

Richard Versalle, Met Tenor, Dies After Stage Fall

New York Times Service

NEW YORK — Richard Versalle, 63, a tenor with the Metropolitan Opera who performed widely in Europe, died Friday night after an accident on stage during the premiere of "The Makropulos Case," by Leos Janacek.

His mnager, Tony George, said the cause of death had not been determined.

Mr. Versalle was singing the role of an elderly clerk in a law firm. In the opening scene his voice faltered and he fell 10 feet from a sliding ladder, landing on his back. Met officials initially said he had died of a heart attack.

Mr. Versalle, who joined the Metropolitan in 1978, had sung the Italian and German repertory for the last 10 years in Vienna, Düsseldorf and other major European houses. He also sang principal roles at the Wagner Festival in Bayreuth and had appeared at the Salzburg Festival.

CROSSWORD

ACROSS

1 "Greetings — ..."
5 "Stop, sailor!"
10 Gets older
14 Queue
15 Knight's weapon
16 Command at the Iditarod
17 QE 2, e.g.
19 "Do — others ..."
20 Patina
21 Microscope part
22 Tiff
23 Guard
25 Sound system
27 "Piggies"
29 Newsman Newman
32 "— jail" (Monopoly directive)
35 Beast
39 Scooby —
40 Volcano fallout
41 Ornamental work
42 Purpose
43 "Steady as — goes"
44 Eagerly wish
45 Mars's Greek counterpart
46 Is wearing
48 Measureless
50 Actress Anjelica
54 "— 17"
58 "Shoo!"
60 Breakfast restaurant chain, informally
62 By oneself
63 Pea holders
64 Mississippi riverboat stop
66 Skin cream ingredient
67 Pickling solution
68 Slinky fabric
69 Mr. Gingrich
70 Christmas visitor
71 Understands

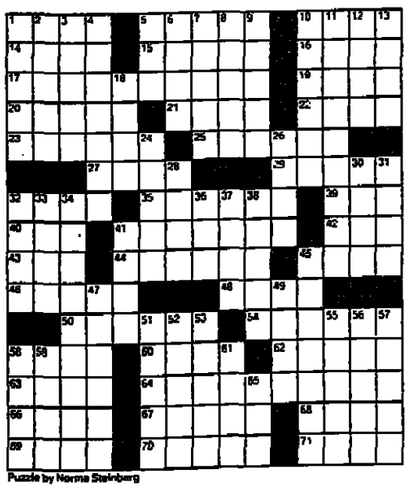
DOWN

1 Dental care item
2 Nouveau — —
3 — — a million
4 Had the intention
5 Winner's take
6 Colorado ski town
7 Rice and Bancroft
8 Fragrance
9 Succinct
10 "We are not —"
11 Content of some shells
12 "Como — usted?"
13 Whisky glass
18 Claudius's stepson
24 Calendar periods
26 Depend (on)
28 Cinch
30 Actress Skye
31 Signals assent
32 Knife wound
33 Dept. of Labor division
34 Lamont Cranston
36 Here, in Québec
37 TV's Griffin
38 Vicinities
41 Cures, as leather
48 Befuddled
47 Beginning
49 Polaris, e.g.
51 Mr. — — (Poitier role)
52 Name on the Tara deed
53 Out
55 Name repeated in a 1963 hit song
56 Perspective
57 Nerds
58 Bridge
59 Composer Porter
61 French bridge
65 Coll. events funder

Solution to Puzzle of Jan. 5

L	O	V	E	A	F	F	A	I	R		N	E	S	T
U	N	E	N	V	I	A	B	L	E		A	U	T	O
C	O	N	S	I	S	T	S	O	F		T	R	A	P
I	N	D		S	T	E	T	S	O	N	H	A	T	S
D	E	S	I				R	E	L	E	A	S	E	E
			M	E	A	R	A		D	E	N	I	S	E
	C	L	A	S	S	I	C					A	I	D
	L	I	N	E	I	N	T	H	E	S	A	N	D	
S	A	N				I	M	M	E	N	S	E		
T	I	E	S	I	N		O	S	T	E	O			
A	B	R	A	S	I	O	N				N	E	R	F
M	O	N	T	E	C	R	I	S	T	O		D	E	L
P	R	O	F		K	O	S	H	E	R	D	E	L	I
O	N	T	O		E	N	T	O	D	E	R	M	I	C
N	E	E	R		L	O	S	E	S	S	E	A	T	S

Puzzle by Norma Steinberg



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CAPITAL MARKETS ON MONDAY

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Jan. 5. Prices supplied by Telekurs.

Australian Dollar

Rnk Name	Cpn	Maturity	Price	Yield
150 British Gas Fin	4½	06/29/98	92.9186	4.9700

Austrian Schilling

Rnk Name	Cpn	Maturity	Price	Yield
246 Austria	7	09/20/99	107.5500	6.5100

Belgian Franc

Rnk Name	Cpn	Maturity	Price	Yield
224 Belgium	9	03/28/03	115.7700	7.7700

Canadian Dollar

Rnk Name	Cpn	Maturity	Price	Yield
134 Nova Scotia	7	12/29/00	100.7500	6.9500
227 Bayerische LB	6¾	12/29/00	103.1000	6.5500

Danish Krone

Rnk Name	Cpn	Maturity	Price	Yield
4 Denmark	7	11/10/24	90.4000	7.7400
6 Denmark	7	12/15/04	100.2600	6.9800
9 Denmark	9	11/15/98	109.3400	8.2300
16 Denmark	7	08/15/97	103.4000	6.7700
22 Denmark	8	03/15/06	106.2200	7.5300
28 Denmark	9	11/15/00	111.90	8.0400
31 Denmark	6	12/10/99	101.0700	5.9400
34 Denmark	8	05/15/03	107.4500	7.4500
49 Denmark	8	11/15/01	107.9500	7.4100
77 Denmark T-bills	zero	07/01/96	98.1593	3.8400
104 Denmark	zero	04/01/96	99.0407	3.9900
129 Denmark	9	11/15/96	103.4500	8.7000
213 Nykredit 3 Cs	6	10/01/26	84.1000	7.1300
233 Denmark	7	02/15/98	103.8500	6.7400

Deutsche Mark

Rnk Name	Cpn	Maturity	Price	Yield
1 Germany	8	01/21/02	113.0100	7.0800
2 Germany	7⅛	01/03/05	109.5833	6.7300
3 Germany	6½	10/14/05	103.6980	6.2700
5 Germany	5⅝	05/15/00	104.3625	5.6300
7 Germany	6⅞	05/12/05	106.2475	6.4700
8 Treuhand	7½	09/09/04	110.2700	6.8000
10 Germany	7½	11/11/04	110.4383	6.7900
12 Germany	5¾	08/22/00	103.8940	5.5300
14 Germany	8¾	08/20/01	116.9200	7.4800
15 Germany	6½	03/15/00	106.7200	6.0900
17 Germany	8	07/22/02	113.2875	7.0600
18 Treuhand	6⅞	06/11/03	106.6400	6.4500
19 Germany	9	10/20/00	116.7840	7.7100
20 Germany	8¾	09/20/01	114.5100	7.2000
21 Treuhand	7⅝	01/29/03	108.3760	6.5700
24 Germany	8	03/20/97	105.0800	7.6100
26 Germany	6¼	01/04/24	93.6429	6.6700
29 Treuhand	7	11/25/99	108.5300	6.4500
30 Germany	8	09/22/97	106.9300	7.4800
32 Germany	7¼	10/20/97	105.9000	6.8500
33 Germany	6⅝	01/20/98	105.3214	6.2900
35 Treuhand	6¾	05/13/04	105.3800	6.4100
36 Germany	8½	02/20/01	115.0500	7.3900
37 Treuhand	7¾	10/01/02	111.9100	6.9300
40 Treuhand	6⅝	07/09/03	105.0500	6.3100
41 Germany	6	09/15/03	101.7800	5.9000
42 Treuhand	6⅛	06/25/98	104.8500	5.8400
43 Germany	8⅞	12/20/00	116.5500	7.6100
44 Treuhand	6¼	03/04/04	102.3600	6.1100
45 Germany	7	01/13/00	108.5700	6.4500
46 Germany	8¾	07/20/00	115.3400	7.5900
47 Germany	6¾	07/15/04	105.4867	6.4000
48 Germany	7	12/22/97	105.9400	6.6100
51 Germany	9	01/22/01	117.1750	7.6800
53 Germany	6½	07/15/03	104.5000	6.2200
55 Germany	5¾	08/20/98	104.1733	5.5200
61 Germany	6⅛	05/20/97	103.5800	6.1500
63 Germany	6¾	09/15/99	107.5700	6.2700
64 Treuhand	6⅝	07/01/99	106.2000	6.0000
65 Germany	8¼	07/21/97	106.6900	7.7300
66 Germany	8⅜	05/21/01	114.8900	7.2900
67 Germany	7¾	02/21/00	111.1500	6.9700
68 Treuhand	5⅝	09/24/98	103.8425	5.4200
69 Germany	6	02/20/98	104.2325	5.7600
71 Germany	5¼	11/20/97	102.6625	5.1100
72 Germany	6⅛	05/20/98	105.3067	6.0500
73 Germany	6½	02/20/97	103.1000	6.3000
74 Germany	6⅞	02/24/99	107.4433	6.4000
75 Germany	8½	09/20/96	103.3200	8.2300
78 Treuhand	6	11/12/03	101.3000	5.9200
83 Germany	6⅛	08/20/97	104.0800	6.1300
84 Treuhand	6¼	07/29/99	105.9000	5.9000
85 Germany	7⅛	12/20/02	108.5729	6.5600
86 Germany	7¼	01/20/00	109.3700	6.6300
87 Treuhand	5	01/14/99	102.3200	4.8900
88 Germany	6	06/20/16	92.6400	6.4800
91 Germany	8½	04/22/96	101.3371	8.3900
92 Germany	7½	10/20/97	106.3300	7.0500
93 Germany	7¼	10/21/02	109.5033	6.6200
95 Germany	8⅜	01/20/97	104.7700	7.9900
96 Germany	5⅛	10/20/98	103.4300	5.0800
97 Germany	5¾	08/20/97	103.1400	5.5700
98 Germany	6⅞	12/02/98	107.1600	6.4200
99 Treuhand	5¾	04/29/99	104.3400	5.5100
100 Treuhand	5	12/17/98	102.4600	4.8800
105 Treuhand	6½	04/23/03	104.5300	6.2200
106 Germany	8½	08/21/00	114.5500	7.4200
108 Germany	6⅛	01/20/97	102.5300	5.9700
112 Treuhand	6⅛	03/26/98	104.5900	5.8600
113 Germany	6⅛	05/20/99	105.5580	5.8000
115 Germany	6¾	04/22/03	106.1450	6.3600
117 LB Rheinld Pfz	6¼	01/18/06	99.6000	6.2800
123 Germany	8½	03/20/96	100.9200	8.4200
124 Treuhand	7⅜	12/02/02	109.8300	6.7100
131 Germany	5¾	02/20/97	102.3100	5.6200
139 Germany	6⅜	01/20/98	104.8140	6.0800
144 Germany	6⅛	12/21/98	105.8800	6.0200
146 Germany	8½	08/20/96	102.9000	8.2600
155 Germany	5⅛	02/22/99	103.3500	5.2000
157 Germany	8¾	05/22/00	115.2750	7.5900
159 Germany	5¾	05/28/99	104.3300	5.5100
163 Germany	6	04/20/98	104.3186	5.7500
164 Portugal	zero	03/20/96	99.2294	3.7300
165 Germany	8⅞	01/22/96	100.1900	8.8600
177 Treuhand	5.82	12/14/00	102.3100	5.6900
179 Germany	6⅛	03/20/98	104.5480	5.8600
180 Austria	6½	01/10/24	94.9000	6.8500
184 Germany	6¼	02/20/98	104.6400	5.9700
186 Deut Ausgleichs	6½	11/28/05	101.3500	6.4100
189 Germany	6¾	05/02/03	104.8600	6.4400
199 Germany	6⅜	08/14/98	105.5300	6.0400
204 EIB	6⅛	11/06/02	102.7400	5.9600
205 Germany	3.65	09/30/04	99.4300	3.6709
230 Germany	7⅛	11/21/96	102.9700	6.9200
242 Saarland	6½	06/16/97	103.7000	6.2700
243 Deut Hypothek	5¾	10/02/01	101.1000	5.6900
244 Mitsubishi Fin	zero	05/07/96	98.7634	3.6700
245 Italy	7¼	02/10/98	106.2000	6.8300
249 Belgium	4 1/16	03/15/00	99.7300	4.0700

Dutch Guilder

Rnk Name	Cpn	Maturity	Price	Yield
13 Netherlands	6¼	07/15/98	105.0000	5.9500
54 Netherlands	6¾	11/15/05	106.0000	6.3700
82 Netherlands	7	06/15/05	107.7500	6.5000
90 Netherlands	6¾	02/15/99	106.7000	6.3300
94 Netherlands	6½	04/15/03	105.4000	6.1700
102 Netherlands	6½	07/15/98	105.5500	6.1600
103 Netherlands	7	02/15/03	108.4000	6.4600
107 Netherlands	7½	06/15/99	109.4000	6.8600
109 Netherlands	7	03/15/99	107.4500	6.5100
116 Netherlands	9	05/15/00	116.0500	7.7600
127 Netherlands	5¾	01/15/04	100.0500	5.7500
130 Netherlands	zero	01/31/96	99.1658	11.5400
132 Netherlands	7¾	03/01/05	112.8000	6.8700
140 Bayerische LB	6½	12/28/05	102.2500	6.3600
158 Netherlands	7¼	10/01/04	109.6000	6.6100
173 Netherlands	8¼	02/15/07	116.70	7.0700
190 Netherlands	8¾	09/15/01	117	7.4800
196 Netherlands	8¼	02/15/02	114.90	7.1800
210 Netherlands	6⅜	12/15/97	104.7000	6.0900
225 Netherlands	8¼	06/15/02	115¼	7.1600
239 Netherlands	8¾	01/15/07	120.6000	7.2600
247 Netherlands	8¼	09/15/07	116.8000	7.0600

ECU

Rnk Name	Cpn	Maturity	Price	Yield
56 France OAT	6	04/25/04	95.0000	6.3200
58 France BTAN	5	03/16/99	98.5300	5.0700
76 Italy	5 15/16	07/31/98	99.9600	5.9400
80 Credit Foncier	8⅜	03/17/04	103.7500	8.0700
89 France OAT	7½	04/25/05	104.1250	7.2000
114 France OAT	6¾	04/25/02	101.7500	6.6300
118 UK T-note	5¼	01/21/97	100.2500	5.2400
119 France OAT	9½	04/25/00	112⅞	8.4200
120 France BTAN	7½	03/16/97	102.8700	7.2900
121 France OAT	8¼	04/25/22	107.4075	7.6800
128 France OAT	10	02/26/01	115.5500	8.6500
151 France OAT	8½	03/15/02	109.6300	7.7500
174 France BTAN	7¼	03/16/98	104.1400	6.9600
178 Britain	9⅛	02/21/01	112½	8.1400
209 France OAT	8	04/25/03	107.5125	7.4400
228 Italy Cte	6½	09/26/98	100.1000	6.4900
237 Italy	9¼	03/07/11	110⅜	8.3800

Finnish Markka

Rnk Name	Cpn	Maturity	Price	Yield
183 Finland	9½	03/15/04	115.2700	8.3200

French Franc

Rnk Name	Cpn	Maturity	Price	Yield
101 France BTAN	4¾	04/12/99	98.1600	4.8400
110 France OAT	8½	11/25/02	112.4700	7.5600
133 France OAT	5½	04/25/04	93.9300	5.8600
136 France BTAN	8	05/12/98	106.3000	7.5300
145 France OAT	7½	04/25/05	106.3900	7.0500
149 France OAT	6¾	10/25/04	101.7700	6.6300
153 France BTAN	7	11/12/99	104.9900	6.6700
162 France BTAN	9	02/12/96	100.4200	8.9600
169 France OAT SP	zero	10/25/19	16.6100	7.8300
188 France OAT	8½	06/25/97	104.8900	8.1000
200 France OAT	9½	01/25/01	115.6600	8.2100
211 France BTAN	6½	10/12/96	101.2000	6.4200
216 SBAB	5⅝	02/24/98	100.4500	5.6000
220 Apigaz		12/28/17	99.9380	-
234 France BTAN	7¾	04/12/00	107.6500	7.2000

Italian Lira

Rnk Name	Cpn	Maturity	Price	Yield
168 Italy	9½	12/01/99	98.4600	9.6500
191 Italy	10½	09/01/05	100.7700	10.4200

Japanese Yen

Rnk Name	Cpn	Maturity	Price	Yield
176 World Bank	5¼	03/20/02	114½	4.5900
193 Denki Kagaku	6	05/28/98	110.4520	5.4300
206 MitsuEstate	5.90	11/05/99	114.5186	5.1500
212 Sweden	3.65	08/09/02	104.0548	3.4100
214 Quebec	3.55	03/30/98	105.1000	3.3800
215 LB Berlin	3	12/28/00	102.7314	2.9200
217 Exim Bk Japan	2⅞	07/28/05	96.7500	2.9700
222 World Bank	4½	06/20/00	110½	4.0700
240 Standards 33	3	11/10/97	102.6366	2.9200

Spanish Peseta

Rnk Name	Cpn	Maturity	Price	Yield
125 Spain	10	02/28/05	102.3910	9.7700
181 Spain	9.9000	10/31/98	101.9100	9.7100
185 Spain	11.30	01/15/02	108.1240	10.4500

Swedish Krona

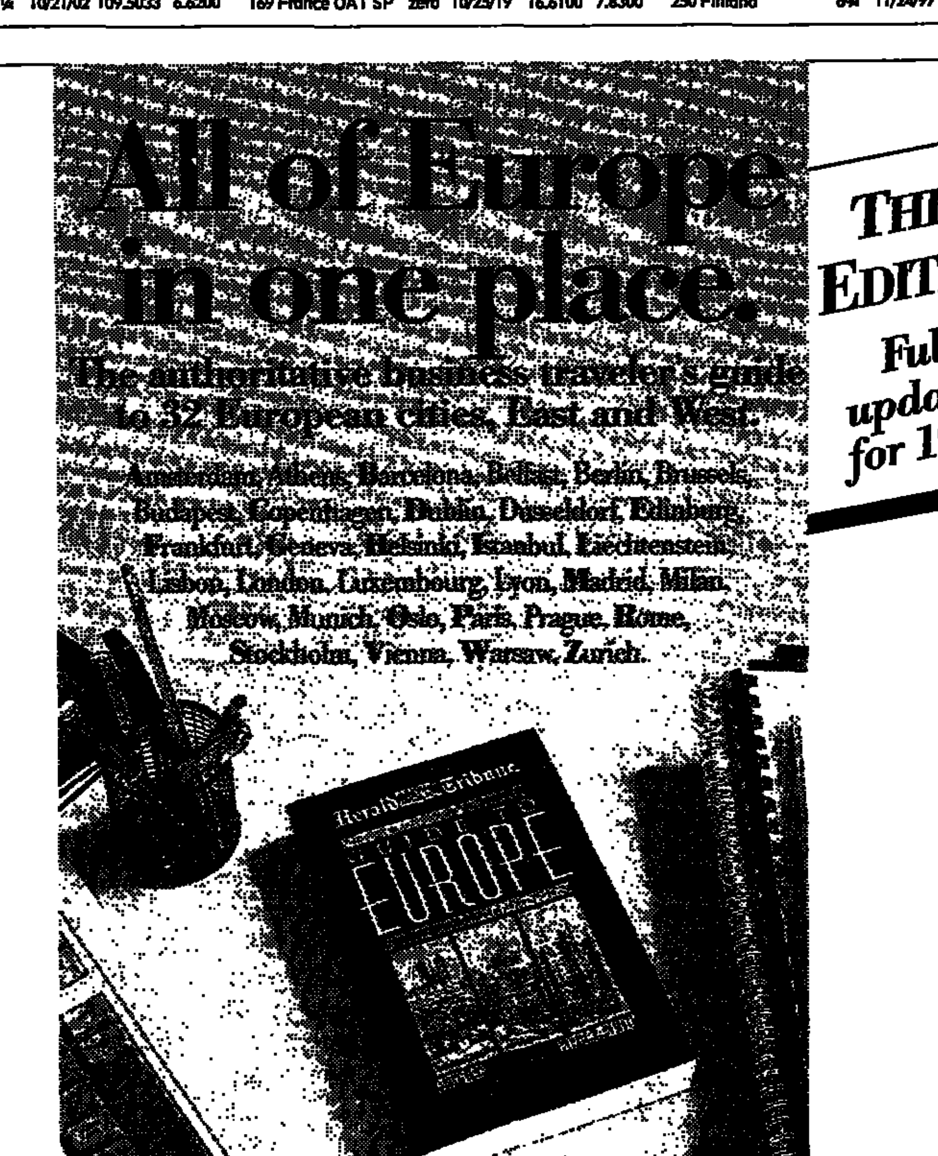
Rnk Name	Cpn	Maturity	Price	Yield
138 Sweden	6	02/09/05	85.5595	7.0100

Swiss Franc

Rnk Name	Cpn	Maturity	Price	Yield
238 Ford Credit	zero	04/30/96	98.8143	3.7600

U.S. Dollar

Rnk Name	Cpn	Maturity	Price	Yield
11 Argentina FRN	6 9/16	03/29/05	73.0000	9.3300
23 Brazil Cap S.L	4	04/15/14	60.0000	6.6700
25 Argentina par L	5	03/31/23	58.1250	8.6000
27 Brazil 930.0	6⅝	01/01/01	86.6250	7.3593
38 Brazil par ZI	4¼	04/15/24	51.9734	8.1800
39 Venezuela	6 9/16	12/18/07	57.1900	11.4749
50 Brazil L	6 9/16	04/15/06	70.0000	9.7300
52 Mexico par A	6¼	12/31/19	67.2500	9.2900
57 Brazil S.L	6⅞	04/15/12	59.8750	11.4800
59 Mexico par B	6¼	12/31/19	67.2500	9.2900
60 Argentina L	6⅞	03/31/23	66.5000	9.8700
62 Brazil S.ZI	6 9/16	04/15/24	63.0000	10.8100
70 Hitachi Credit	5⅞	12/28/00	100.1250	5.8700
79 Thermo Electron	4¼	01/01/03	100.0000	4.2500
81 Venezuela par A	6¾	03/31/20	59.5000	11.3400
111 Mexico A	6.7656	12/31/19	73.6250	9.1900
122 Argentina	5.6797	12/28/99	59.0000	9.6266
126 Mexico B	6.7656	12/31/19	73.6250	9.1900
135 Mexico D	6.5469	12/28/19	73.6250	8.8900
137 Westlb Fin	5⅝	12/14/98	100.7500	5.5800
141 Venezuela par B	6¾	03/31/20	59.5000	11.3400
142 Brazil S.L	6⅝	04/15/09	62.3750	11.0200
143 Venezuela	6¾	12/18/08	40.5752	16.6400
147 Belgium	5½	11/05/03	97.3750	5.6500
148 Bulgaria	6¾	07/28/11	48.3884	13.9500
152 Argentina	3 5/16	04/01/01	100.2000	3.3059
154 Centrust S&L	zero	02/15/10	24.2500	10.5500
156 Ecuador par	3	02/28/25	37.2500	8.0500
160 Bulgaria	6¾	07/28/24	54.0000	12.5000
161 Poland	6⅞	10/27/24	76.7500	8.9600
166 Bulgaria	2	07/28/12	32.4595	6.1600
167 Britain	5 7/16	09/24/96	99.9100	5.4400
170 Mexico		11/27/96	96.7290	-
171 Bay Hypo Wech	5.47	05/01/96	99.4091	5.5000
172 Ecuador	3	02/28/15	33.7088	8.9000
175 Canada	6½	05/30/00	103.8750	6.2600
182 Mexico C	6.6094	12/31/19	73.6250	8.9800
187 Bco Com Ext.	7¼	02/02/04	80.2500	9.0300
192 Poland	3¾	10/27/14	67.4088	5.5600
194 World Bank	6⅜	07/21/05	104.0000	6.1300
195 Argentina	8⅜	12/20/03	87.5000	9.5700
197 KFW Int'l Fin	8¼	11/30/04	114⅝	7.1900
198 Ecuador	6 9/16	02/28/25	53.0343	12.8500
201 Queensland Tsy	zero	01/31/96	99.0088	13.8700
202 AIDC	zero	04/03/96	98.0791	8.0900
203 Westpac Bkg	zero	04/04/96	98.0643	8.0600
207 Venezuela S.A	6 9/16	03/18/07	58.1250	11.7200
208 TMCC	5½	12/14/98	100.6250	5.4700
218 Canada	6½	07/07/97	101.6250	6.4000
219 Soc Generale	5.37	07/03/96	99.3813	5.4000
221 Brazil Cbond S.L	4	04/15/14	59.7500	8.1500
223 Canada	6⅜	07/21/05	103.2500	6.1700
226 Merita Bank	6.225	12/01/05	99.2187	6.2700
229 World Bank	7⅛	09/27/99	105.7500	6.7400
231 Capital One	6.0475	12/15/01	100.9997	5.9900
232 Brazil	6	09/15/13	57.3750	10.4600
235 INI Fin	5¾	12/20/00	100.2500	5.7400
236 Argentina	6 9/16	03/29/05	73.1175	9.3200
241 St Bk Sth Wales	zero	02/05/96	99.5097	5.4200
248 MBL Intl Fin	3	11/30/02	116	2.5900
250 Finland	6¾	11/24/97	102.6250	6.5800



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THE WORLD'S DAILY NEWSPAPER

Fidelity Sidesteps Technology Plunge

Knight-Ridder

BOSTON — In recent months, Fidelity Magellan has performed increasingly out of step with other technology-laden equity funds, leading to widespread and well-publicized speculation that fund manager Jeffrey Vinik has finally begun to dump his huge technology holdings.

But while some analysts say this decoupling almost certainly means Mr. Vinik is backing away from his long-favored technology sector, others say his skill at picking stocks in other sectors may have largely limited the damage from the technology portion of his portfolio.

Certainly, the quantitative evidence seems to argue compellingly that he has been more skillful than many competitors. For example, on Thursday, when technology stocks were especially hard hit, Magellan's net asset value eased back only 0.8 percent, while Seligman Communications & Information Fund fell more than 2.5 percent and 20th Century Ultra eased 2.4 percent. Only a few months ago, Magellan tended to track these funds much more closely.

Seligman Communications is down 24.4 percent in the past three and a half months, Lipper Analytical reported, while Magellan is down only 4.95 percent.

"You're looking at these other funds that are high-tech and got creamed, yet Vinik didn't," said Don Phillips, president of Morningstar Inc., the Chicago-based company that tracks mutual funds. "It's not conclusive, but the numbers certainly suggest that he has managed to reduce his tech exposure. It's not performing in step with these other tech-heavy funds that six months ago it was in lock step with."

But John Teall, a spokesman for Lipper Analytical, a mutual fund analysis firm in New York, said he was not sure these changes were particularly significant. "A lot of people have been saying for some time that Vinik is out of technology, but every month, lo and behold, Magellan has a big chunk of tech," Mr. Teall said.

He was referring to Fidelity's Mutual Fund guide, a publication that provides monthly data on all of the company's funds, including sector weightings.

The problem is that there is a two-month lag on the information. The most recent guide, published in December, showed that as of Oct. 31, technology stocks accounted for 43.2 percent of the Magellan fund, up from 40.2 percent in September.

But November was when the market began selling off technology stocks in earnest and when Mr. Vinik was widely reported to have dumped many of his own holdings. The figures for November are due out next week.

Every time technology stocks begin to fall, rumors of a Magellan sell-off start flying. The rumors may be an inevitable side effect of Magellan's whopping size: it is by far the world's largest mutual fund, with $54 billion in assets.

But as Mr. Phillips said, some savvy smaller investors may have learned how to benefit by using Magellan as a scapegoat for large market movements. "People who are short tech stocks are eager to spread the idea that Fidelity is dumping technology. They're using Fidelity as a whipping boy."

Budget Debate Holds Bond Market Hostage

Compiled by Our Staff From Dispatches

WASHINGTON — Bond prices will be under pressure this week as budget negotiations between Congress and President Bill Clinton dictate the market's moves. But Treasury Secretary Robert E. Rubin said that despite the gridlock, he would "protect the creditworthiness of the United States."

Mr. Rubin made his remarks in a letter to the former treasury secretaries James A. Baker 3d, Nicholas F. Brady and Donald T. Regan, who wrote to Mr. Rubin on Thursday about their concerns that any further actions he takes to circumvent the debt limit could "raise serious legal, perhaps even constitutional, issues."

In response, Mr. Rubin told his predecessors that it was Congress's failure to pass a separate bill raising the $4.9 trillion federal debt limit that prompted him to take the steps he has to allow the United States to continue borrowing.

Those actions include disinvesting $61.3 billion from two government trust funds and withholding a $14.5 billion

U. S. CREDIT MARKETS

interest payment due the civil service trust fund in December.

Mr. Rubin said Sunday the government would not risk defaulting on its obligations through mid-February.

He also urged Congress to raise the debt limit.

But last week some House Republicans suggested they would start impeachment proceedings if Mr. Rubin continued to borrow money for the Treasury.

Mr. Rubin said that any future actions regarding the federal debt limit would "be completely consistent with existing statutory authority granted to the secretary by Congress."

Mr. Clinton on Saturday signed a resolution hammered by Republican leaders that would reopen government after a 21-day partial shutdown, while budget discussions continue.

Meanwhile, the benchmark 30-year Treasury bond ended the first week of the new year at a yield of 6.04 percent, up from 5.95 percent the week earlier.

Traders said that even if the talks fall apart, and balancing the budget is put off until after the 1996 presidential elections, the bond market's losses should be limited.

(Knight-Ridder, Reuters, Bloomberg)

New International Bond Issues

Compiled by Laurence Desvilettes

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
Floating Rate Notes						
Short-Term Card Account Trust I	$2,000	1997	0.10	100	—	Over 1-month Libor. Noncallable. Fees 0.05%. Denominations $1 million. (Lehman Brothers Intl.)
Banque Indosuez	£150	1999	1/16	99.79	—	Over 3-month Libor. Noncallable. Fees 0.15%. Denominations £10,000. (Barclays de Zoete Wedd.)
Lloyds TSB Group	£200	1997	⅛	99.964	—	Below 3-month Libor. Noncallable. Fees 0.025%. Denominations £10,000. (SBC Warburg.)
Royal Bank of Scotland	£200	2003	1/10	99.992	—	Over 3-month Libor. Noncallable. Fees 0.20%. Denominations £100,000. (HSBC Markets.)
Caisse Centrale de Crédit Immobilier	ECU150	1998	libor	99.961	—	Interest will be the 3-month Libor. Noncallable. Fees 0.10%. (Banque Paribas Capital Markets.)
Fixed-Coupons						
Abbey National Treasury Services	$300	1999	5⅛	101.0095	99.65	Reoffered at 99.822. Noncallable. Fees 1⅛%. (HSBC Markets.)
Bayerische Landesbank	$250	1999	5¼	101.1705	99.75	Reoffered at 99.983. Noncallable. Fees 1⅛%. (SBC Warburg.)
Bayerische Vereinsbank	$300	1999	5¼	100.9845	99.60	Reoffered at 99.797. Noncallable. Fees 1⅛%. (Banque Paribas Capital Markets.)
DSL	$250	2000	5¼	100.90	99.15	Reoffered at 99½. Noncallable. Fees 1⅝%. (SBC Warburg.)
General Electric Capital Corp.	$300	2001	5½	101.211	99.25	Reoffered at 99.586. Noncallable. Fees 1⅝%. (UBS.)
Harvard University	$100	1999	5¼	101.0325	99.72	Reoffered at 99.845. Noncallable. Fees 1⅛%. (Merrill Lynch Intl.)
LB Schleswig-Holstein	$200	1999	5⅜	101.195	99.82	Reoffered at 100.02. Noncallable. Fees 1⅛%. (Barclays de Zoete Wedd.)
National Australia Bank	$250	1999	5⅜	101.065	99.62	Reoffered at 99.89. Noncallable. Fees 1⅛%. (ABN—AMRO Bank.)
Abbey National Treasury Services	DM250	2000	4⅝	101.53	99.15	Reoffered at 99.63. Noncallable. Fees 2.15%. (Barclays de Zoete Wedd.)
Argentina	DM500	2003	10¼	101.00	99.35	Reoffered at 99½. Noncallable. Fees 2¼%. (CSFB Effectenbank.)
Bank Austria	DM250	1999	4½	101.365	99.45	Reoffered at 99.84. Noncallable. Fees 1⅝%. (Barclays de Zoete Wedd.)
BNG	DM300	1999	4½	101.585	99.40	Reoffered at 99.66. Noncallable. Fees 2.15%. (ABN—AMRO Bank.)
Depfa Finance	DM1,000	2001	5⅛	101.30	99.20	Reoffered at 99.55. Noncallable. Fees 2%. (Commerzbank.)
DSL Finance	DM1,000	2001	5	101.15	99.20	Reoffered at 99.40. Noncallable. Fees 2%. (Deutsche Morgan Grenfell.)
General Electric Capital Corp.	DM300	1999	4½	101.365	99.40	Reoffered at 99.84. Noncallable. Fees 13/4%. (Barclays de Zoete Wedd.)
Morgan (J.P.)	DM300	2000	4⅝	101.493	99.30	Reoffered at 99.593. Noncallable. Fees 1⅝%. (J.P. Morgan.)
Nederlandse Waterschapsbank	DM500	2002	5⅛	102.30	99.55	Reoffered at 99.95. Noncallable. Fees 2⅝%. (ABN—AMRO Bank.)
Sudwestdeutsche Landesbank	DM500	2002	5⅛	101.76	99.70	Reoffered at 99.91. Noncallable. Fees 2⅛%. (ABN—AMRO Bank.)
First Hydro Finance	£400	2021	9	100.00	—	Semiannually. Noncallable. Fees 0.625%. Denominations £10,000. (Barclays de Zoete Wedd.)
General Electric Capital Corp.	FF2,000	2005	6⅝	99.67	99.60	Noncallable. Fees 0.325%. (Banque Paribas Capital Markets.)
Sweden	ITL500,000	2001	10	101.775	99.95	Noncallable. Fees 1⅞%. (IMI Bank.)
Crédit Local de France	DF500	2003	5¾	101.515	99.73	Reoffered at 99.94. Noncallable. Fees 1⅞%. (ABN—AMRO Bank.)
Deutsche Finance Netherlands	DF350	2003	5¾	101.815	99.84	Reoffered at 100.24. Noncallable. Fees 1⅞%. Deutsche Bank.
Dresdner Finance	DF300	2002	5¼	100.35	98.48	Reoffered at 98¾. Noncallable. Fees 1⅞%. (ING Bank.)
Helaba Int'l Finance	DF300	2004	5⅞	100.985	99.20	Reoffered at 99.41. Noncallable. Fees 1⅞%. (Rabobank Nederland.)
Rabobank Nederland	DF500	2001	5¼	101.645	100.20	Reoffered at 100.02. Noncallable. Fees 1⅞%. (Rabobank Nederland.)
Rabobank Nederland	DF500	2006	6⅛	100.985	99.36	Reoffered at 99.31. Noncallable. Fees 2%. (Rabobank Nederland.)
Argentina	Y14,000	1997	3¼	100.00	—	Semiannually. Noncallable. Fees 0.50%. (Yamaichi Intl.)
Creditanstalt-Bankverein	Y10,000	2021	6.30	100½	—	Interest payable in Australian dollars, marks or dollars. Noncallable. Fees 0.50%. (Nikko Europe.)
Int'l Finance Corp.	Y10,000	2026	6	100.20	—	Interest payable in Australian dollars or marks. Noncallable private placement. Fees 0.40%. Denominations 100 million yen. (IBJ Intl.)
Merrill Lynch & Co.	Y10,000	1999	1.30	100.20	—	Noncallable. Fees 0.20%. (Merrill Lynch Intl.)
Mitsubishi Corp. Finance	Y10,000	2006	3.05	100.325	—	Noncallable. Fees 0.325%. Denominations 100 million yen. (Nikko Europe.)
Sudwestdeutsche Landesbank	Y10,000	2016	—	100.40	—	Interest will either be 6%, payable in Australian dollars, or 5.41%, payable in marks or dollars. Noncallable. Fees 0.40%. Denominations 100 million yen. (Yamaichi Intl)
Sumitomo Corp. Capital Netherlands	Y10,000	2003	2.30	100.30	—	Interest will be 2.30% until 2001, when issue is callable at par, thereafter 3½%. Fees 0.30%. Denominations 100 million yen. (Merrill Lynch Intl.)

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes

United States	Dec. 29	Dec. 22	Ch'ge
DJ Indus.	5,117.12	5,097.97	+0.38 %
DJ Util.	225.40	223.45	+0.87 %
DJ Trans.	1,981.00	1,954.93	+1.33 %
S & P 100	585.92	584.37	+0.27 %
S & P 500	615.93	611.95	+0.65 %
S & P Ind	721.19	718.44	+0.38 %
NYSE Cp	329.51	326.35	+0.97 %
Britain			
FTSE 100	3,689.30	3,658.30	+0.85 %
Japan			
Nikkei 225	19,868.15	19,744.42	+0.63 %
Germany			
DAX	2,253.88	2,280.43	—1.16 %
Hong Kong			
Hang Seng	10,073.39	9,932.20	+1.42 %
World			
MSCIP	732.82	726.60	%

World index From Morgan Stanley Capital Int'l

Money Rates

United States	Dec. 29	Dec. 22
Discount rate	5¼	5¼
Prime rate	8¾	8¾
Federal funds rate	5¼	5½
Japan		
Discount	0.50	0.50
Call money	0.40	0.43
3-month interbank	0.53	0.47
Germany		
Lombard	5.00	5.00
Call money	5.00	3.80
3-month interbank	3.85	3.92
Britain		
Bank base rate	6½	6½
Call money	n.a.	6⅝
3-month interbank	6½	6½

Gold	Dec. 29	Dec. 22	Ch'ge
London p.m. fix $	386.70	387.20	+0.86 %

Euromarts

Eurobond Yields

	Jan. 5	Dec. 29	Yr high	Yr low
U.S. $, long term	6.35	6.39	6.36	6.35
U.S. $, mdm term	5.87	5.90	5.87	5.82
U.S. $, short term	5.50	5.53	5.53	5.50
Pounds sterling	7.38	7.40	7.39	7.38
French francs	6.30	6.42	6.38	6.28
Italian lire	10.19	10.53	10.45	10.19
Danish kroner	6.07	6.14	6.11	6.07
Swedish kronor	8.42	8.61	8.55	8.42
ECUs, long term	6.98	7.11	7.06	6.98
ECUs, mdm term	6.12	6.26	6.23	6.12
Can. $	6.89	7.16	7.08	6.89
Aus. $	8.03	8.21	8.07	8.01
N.Z. $	7.07	7.57	7.20	7.07
Yen	2.29	2.30	2.29	2.29

Source: Luxembourg stock exchange.

Weekly Sales

Jan. 4

Primary Market

	Cedel Bk $	Cedel Bk Non$	Euroclear $	Euroclear Non$
Straights	18.0	122.8	188.5	1,109.0
Convert.	2.6	—	281.3	0.9
FRNs	—	812.4	483.5	—
ECP	5,464.5	2,671.5	4,935.4	3,833.3
Total	5,485.1	3,606.7	5,888.7	4,943.2

Secondary Market

	Cedel Bk $	Cedel Bk Non$	Euroclear $	Euroclear Non$
Straights	7,166.1	10,776.3	18,424.8	8,954.1
Convert.	431.2	266.6	1,335.2	402.1
FRNs	3,750.0	3,048.7	21,980.3	2,374.4
ECP	5,350.4	8,133.0	5,729.7	10,390.0
Total	16,697.7	22,224.6	47,470.0	22,120.6

Source: Euroclear, Cedel Bank.

Libor Rates

Jan. 5

	1-month	3-month	6-month
U.S. $	5⅝	5⅝	5½
Deutsche mark	3⅞	3¾	3⅝
Pound sterling	6 9/16	6 9/16	6 7/16
French franc	5	5	5⅛
ECU	5⅛	5	5
Yen	½	½	⅝

Sources: Lloyds Bank, Reuters.

Herald International Tribune

BUSINESS / FINANCE

MONDAY, JANUARY 8, 1996

CYBERSCAPE

U.S. Phone Firms Rile Internet Users

By John Markoff
New York Times Service

SAN FRANCISCO — Two of the largest U.S. telephone companies are asking for rate increases that would more than double the price of their consumer-oriented digital telephone services, leading critics to charge that the telephone industry is in danger of crippling a technology that is a promising shortcut to the Internet.

Pacific Bell, a unit of Pacific Telesis Group, and US West Communications Group have in the last month proposed raising charges on a recently introduced consumer telephone service known as Integrated Services Digital Network, or ISDN, arguing that the costs of providing the services are greater than they assumed, and that use is far higher than expected in accounts that pay for unlimited service.

Proposals would more than double the price of digital phones services.

The proposed increases, which are being sought in California and several other states, come at a time when personal computer users have begun to discover ISDN as an easy and relatively inexpensive way to connect to the Internet at significantly higher speeds than analog modems permit.

But this year cable TV companies are introducing modems that are much faster than ISDN, and cheaper. Some analysts complain that the phone industry may be making a crucial mistake by picking this time to raise rates.

"The real issue is whether the telephone companies are prepared to push ISDN hard enough to take on the cable modems," said Tom Hargadon, publisher of the Inside Report on New Media in San Francisco. "ISDN has proven very difficult to install and has yet to prove it can be a money maker."

The rate increases have angered some computer industry leaders who have been counting on the new technology to generate an explosion of innovative applications.

ISDN service offers data speeds that are four times faster than the current high end of analog modems, which are used with personal computers for connecting to on-line services and the Internet.

Using an ISDN connection, it would take about one minute to transmit Herman Melville's "Moby Dick," versus four

See PHONES, Page 12

Intel Corp. Admits to Overstating Chip Speed

New York Times Service

SAN FRANCISCO — Intel Corp. has acknowledged that a bug in a software program known as a compiler had led the company to overstate the speed of its microprocessor chips on an industry benchmark by about 10 percent.

But industry analysts said the coding error, which was made in a pre-production version of the software, was not an indictment of the technology of the world's largest chipmaker but rather a sad commentary on a common industry practice of "cheating" on standardized performance tests.

Fred Pollack, the director of Intel's Measurement, Architecture and Planning Group, said Friday that the error had been pointed out to Intel by a competitor, Motorola Inc.

Intel also had decided it was important to go public with the bug as quickly as possible.

Intel suffered a public-relations embarrassment a year ago after the company appeared to ignore a math error in its Pentium processor. Ultimately, the company offered to unconditionally replace that chip.

The new error came in a test used in the computer industry to measure the speed of a computer on simple mathematical operations.

In its commentary on the results, Intel had acknowledged that it had "optimized" its compiler to improve its test scores.

The company also said that it did not like the practice but felt compelled to make the optimizations because its competitors were doing the same thing.

"It was an honest mistake," said Michael Slater, publisher of the newsletter Microprocessor Report.

"Intel was pretty clean in saying we had to play the game, but we don't think it's a good thing. Unfortunately, when they decided to play the game, they played it wrong."

— BY JOHN MARKOFF

Foreigner Shakes Czech Businesses

By Jane Perlez
New York Times Service

PRAGUE — When Michael D. Dingman, an executive with a nose for value and a reputation for rapid restructurings, acquired stakes in a smorgasbord of Czech companies, the cozy business community here sat up.

Soon after announcing his $200 million package of investments in late October, Mr. Dingman, the former president of Allied Signal Inc., engineered a boardroom shake-up that prevented a Swedish paper giant from taking control of the Czech Republic's biggest paper company.

A month later, on his first visit here — Mr. Dingman, 64, bought his Czech portfolio long distance from his home in the Bahamas — he informed Plzensky Prazdroj, a beer company in which he holds an indirect interest, that he wanted to install an American manager.

A brash marketer from arch-enemy Anheuser-Busch Cos. peddling prestigious Pilsner Urquell? The Czech brewery could not quite believe it — and balked.

Mr. Dingman's investment in beer, paper, oil, shipping and other businesses represents the first effort by a big foreign entrepreneur to shake up slumbering Czech industry since Eastern Europe's most sweeping mass privatization program was completed here a year ago.

While multinationals such as Volkswagen AG and Philip Morris Cos. have made their mark here by buying plants directly from the government. Mr. Dingman's investment is the largest transfer of publicly traded Czech equity to a single owner.

He bought his shares from Viktor Kozeny, 32, the founder of Harvard Capital & Consulting Corp., the country's biggest investment fund, which amassed an estimated $1 billion worth of holdings in Czech companies during the privatization process.

To hear Mr. Dingman tell it, his foray into the Czech Republic was a deliberate choice of one emerging market over another: Eastern Europe, neglected by American investors because of uncertainties about politics and profits in ex-Communist countries, over the more familiar and booming Southeast Asia.

Mr. Dingman is betting he can make that choice pay off by playing the same kind of capitalist hardball that he practiced for many years in the United States.

See DINGMAN, Page 12

China Lashes Out At Foreign Control Of Joint Ventures

Compiled by Our Staff From Dispatches

BEIJING — A senior Chinese trade official has accused foreign investors of pushing out their Chinese joint-venture partners in order to grab a larger share of the profits.

"It's almost unanimous: where returns become high, foreign parties will scramble to nudge their Chinese partners out of holding status with their overwhelming funding power," said Xu Ming, a division chief with the State Economic and Trade Commission, in an interview published Sunday in the China Daily.

But he gave no indication that the Chinese government was planning to curb such practices.

"The process is quite simple," Mr. Xu said, pointing an accusing finger at foreign investors who ask their Chinese partners to beef up funding in proportion to their shares of the joint-venture stocks.

"When the fund-thirsty Chinese cannot oblige, the foreign partners advise them to sell stocks to raise funds and give up control of the company," Mr. Xu was quoted as saying.

Mr. Xu cited the example of the Otis Lift Co., a China-U.S. joint venture based in the nearby port city of Tianjin.

In its early days, when the Chinese side held 75 percent of the stock, the venture was operating at a loss.

However, as business thrived, Mr. Xu said the foreign partners in the venture had "little difficulty" in taking over majority control. Given the shortage of funds available to Chinese partners because of the government's tight credit policy, Mr. Xu said they were in "no position" to compete with their foreign parties in terms of funding power.

He also cited the case of a Coca-Cola Co. joint-venture bottling plant in the northeastern city of Shenyang that recently reported to his department that foreign partners intended to expand their stock.

"Through their attempts to gain majority stakes, it's hard not to believe that some foreign investors are seeking to achieve a monopoly in these sectors," Mr. Xu said.

He also cautioned against the potential of foreign domination resulting from China's experiments with funding mechanisms for joint ventures known as "build, operate, transfer," or BOT.

See VENTURES, Page 12

After 2 Years, SEC to Charge Ex-Kidder Trader

By Peter Truell
New York Times Service

NEW YORK — The Securities and Exchange Commission will soon bring civil fraud charges against Joseph Jett, the former Kidder, Peabody & Co. trader accused of creating $350 million in phantom profits, people familiar with the case said. But to many, these charges are a weak and late response to a scandal that shook Wall Street to its foundation nearly two years ago.

The action is the first by a government agency since Kidder first disclosed the trading in April 1994. It could result in sanctions of as much as $100,000 against Mr. Jett, the giving up of additional hundred of thousands of dollars of bonuses and his banishment from the securities industry.

Investigators and prosecutors apparently have found it difficult to put a case together against Mr. Jett, even though he himself attended 24 interviews with the office of the U.S. attorney in Manhattan; SEC staff members were present at nine of these interviews.

There may not be much further action against Mr. Jett. A person close to Mr. Jett said Friday that he did not expect the Justice Department to take action against the former trader.

It is still unclear whether the SEC will take action against others at Kidder who were involved in supervising Mr. Jett and his trading.

The SEC charges, called an administrative enforcement action, will contend that Mr. Jett, who headed the government securities desk at Kidder, committed fraud through a complex false profit scheme, which Kidder and its senior managers were unaware of, according to people familiar with the matter.

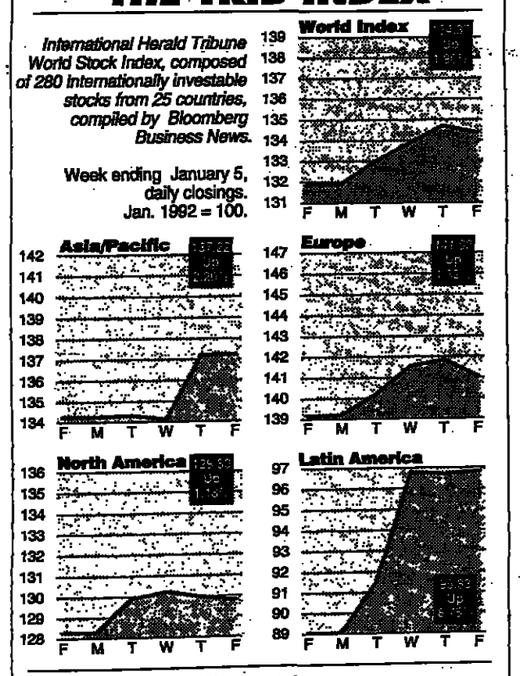
Kidder and its former parent, General Electric Co., also have said that Mr. Jett is responsible for single-handedly causing the losses in Kidder's bond trading operation.

A rival brokerage firm, PaineWebber Group Inc, subsequently took over Kidder in 1995, after the firm had been severely weakened by the bond market rout of 1994.

THE TRIB INDEX

International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News.

Week ending January 5, daily closings. Jan. 1992 = 100.



Industrial Sectors/Weekend close

	1/5/96 close	12/29/95 close	% change		1/5/96 close	12/29/95 close	% change
Energy	139.33	135.62	+2.74	Capital Goods	134.25	132.88	+1.03
Utilities	128.72	127.14	+1.24	Raw Materials	145.95	141.80	+2.93
Finance	129.60	127.23	+1.86	Consumer Goods	139.24	138.07	+0.85
Services	124.10	120.00	+3.42	Miscellaneous	141.01	135.81	+3.83

The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. *For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.*

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CURRENCY RATES

Jan. 8

Cross Rates

	$	£	D.M.	F.F.	Lira	B.Fr	N.F.	S.F.	Yen	Cr.	Peseta
Amsterdam	1.6105	2.4995	1.1198	0.327	0.1619*	—	5.449*	1.3886	1.5263*	1.187	1.23*
Brussels	29.78	46.8175	20.55	6.002	1.3827*	18.351	—	25.512	0.2827	21.815	24.4175*
Frankfurt	1.4678	2.2784	—	0.2923	0.915*	0.8531	4.8664*	1.3487	1.3745*	1.0685	1.188*
London (a)	1.552	—	2.231a	7.6417a	2.452.926	2.4987	45.90	1.8019	142.88	N.A.	187.95.
Madrid	121.331	188.337	84.366	24.616	7.697*	75.256	4.1006	104.498	115.799*	89.427	—
Milan	1,581.55	2,450.60	1,097.49	319.27	—	975.59	53.103	1,353.90	15.063	1,164.18	13.88
New York (b)	—	1.5525	1.4395	4.9265	1.581.00	1.6117	29.28	1.3415	165.25	1.3586	121.76
Paris	4.937	7.653	3.4233	—	0.3237*	3.0572	0.1666	4.3451	4.7947*	2.4288	4.047*
Tokyo	105.25	163.42	72.95	21.33	6.649	65.64	3.5539	90.56	—	77.65	0.8642
Toronto	1.3586	2.1091	0.9438	0.2758	0.0859*	0.8429	0.4593*	1.1697	1.2884*	—	1.11*
Zurich	1.159	1.7996	0.8062	0.2353	0.0733*	0.7197	3.9744*	—	1.1455*	0.8569	0.9576*
1 ECU	1.3079	0.8439	1.2882	6.4568	2.064.93	2.1121	38.7619	1.5211	137.261	1.2773	154.988
1 SDR	1.4743	0.9573	2.1043	N.Q.	2.327.80	2.3919	43.8457	1.7282	155.823	1.3939	179.702

Closings in Amsterdam, London, Milan, Paris, New York, Toronto and Zurich, fixings in other centers.
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9993	Greek drac.	236.64	Mex. peso	7.545	S. Afr. rand	3.6307
Australian $	1.3423	Hong Kong $	7.734	N. Zealand $	1.5272	S. Kor. won	787.40
Austrian sch.	10.145	Hung. forint	140.25	Norw. krone	6.357	Swed. krona	6.6269
Brazil real	0.972	Indian rupee	35.37	Phil. peso	26.18	Taiwan $	27.33
Chinese yuan	8.2919	Indo. rupiah	2293.58	Polish zloty	2.47	Thai baht	25.18
Czech koruna	26.82	Irish £	0.626	Port. escudo	150.79	Turkish lira	59237.5
Danish krone	5.5746	Israeli shek.	3.1476	Russ. ruble	4661.	UAE dirham	3.6726
Egypt. pound	3.3955	Kuw dinar	0.2998	Saudi riyal	3.75	Venez. bolív.	348.00
Fin. markka	4.3668	Malay. ring.	2.5382	Sing. $	1.4286		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5478	1.5467	1.5457	Japanese yen	104.58	104.12	103.66
Canadian dollar	1.3580	1.3581	1.3583	Swiss franc	1.1605	1.1568	1.1534
Deutsche mark	1.4418	1.4400	1.4375				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

A Turkish Specialty Delights East Berlin

By Miriam Widman
Special to the Herald Tribune

BERLIN — When the Berlin Wall fell six years ago, Remzi and Mehmet Kaplan brought to the eastern part of the city what had become a hit in the West: *Döner Kebabs*.

Döners, which are also known as gyro sandwiches, are made from strips of lamb grilled on a spit, shaved down and stuffed into pita bread topped with lettuce, tomatoes, onions and sauce.

With an average price of about 4 Deutsche marks ($2.77), Döners became a staple for those on the go in the western part of the city.

In the former German Democratic Republic, the sandwiches were unknown. Fast food — Eastern German style — usually was a sausage topped with a curry-flavored ketchup, or a half-roasted chicken. Both are also common in the western part of town.

When the Berlin Wall fell on Nov. 9, 1989, Remzet and Mehmet first tried to sell Turkish goat cheese and olives at the main train station in the east.

The two brothers had been successfully selling such Turkish staples in West Berlin since 1980.

"It didn't work," said Birol Kaplan, Remzi's son. "Nobody in the east knew what Turkish cheese was."

To help introduce Turkish food to the eastern German public, the brothers tried another approach.

"So we got the idea with the fast-food stand," Mr. Kaplan said.

That December, Remzi and Mehmet opened their first Döner stand at Alexanderplatz, a main commercial area in the eastern part of the city.

And that's when things improved. They started with 5 kilograms (11 pounds) of meat on a spit. But curious East Germans took to the new specialty so quickly that they were soon selling 150 kilos of meat daily

That was when they got the idea to switch from selling the sandwiches to selling just the meat. In 1991, the brothers opened Kaplan Dönerproduktion.

Four years later, the company has grown from an operation run by the two brothers in a back office in Berlin to a company employing 60 workers with three offices.

The company also has an office in the Netherlands because the meat there is cheaper, of better quality and the company has a large freezer capacity, according to the company. Delivery to West German customers is also easier.

SMALL BUSINESS

The company refuses to disclose sales or profit figures.

Competition remains toughest in Berlin, where the company has its office in Wedding, a major Turkish neighborhood.

Berlin is not only home to Germany's most discriminating Döner eaters, but to the country's largest Turkish population.

With some 25 competing Döner producers in town, compared with about 15 in all of West Germany, things are not easy, Mr. Kaplan said.

The Kaplans are well established in Germany. Their parents came from Turkey in the 1960s during Germany's first big wave of Turkish immigration.

The brothers are now well known in the Turkish community in Berlin and have been able to profit from their contacts and from the growing popularity of the sandwiches.

Their stands are so ubiquitous in the eastern part of the city now that in some busy areas of eastern Berlin areas, there are as many as six competing stands in the radius of a single block.

"I don't really understand how it works, but it does," Kaplan said.

DEM 600,000,000

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SHORT COVER

Very briefly:

Indian State Nears Enron Decision

BOMBAY (Bloomberg) — The government of India's western state of Maharashtra said Sunday it would take a decision on Enron Development Corp.'s stalled $2.8 billion power project by Wednesday.

But Manohar Joshi, the state's chief minister, said that no decision had been reached after the state cabinet held talks on the project on Sunday. "We are still discussing it," he said.

Boeing and Union Close to Accord

SEATTLE (Bloomberg) — Boeing Co. and the union representing 22,000 of its engineers and technical workers reached a tentative agreement on a new four-year contract late Saturday.

Union members, who remained on the job after their old contract expired on Dec. 1, are very likely to accept the contract offer, analysts said. Details of the agreement will not be released until after they are presented to union members on Monday, the union said.

Sumitomo and Daiwa Near Deal?

TOKYO (Bloomberg) — Sumitomo Bank Ltd. and Daiwa Bank Ltd. have reached a basic agreement on the sale of Daiwa Bank's assets in the United States, Nikkei English News reported on Sunday, citing bank sources.

According to such an agreement, Sumitomo Bank would buy almost all of the approximate 500 billion yen ($4.75 billion) in outstanding credit extended in the United States by Daiwa Bank.

Santer Sees 9 States Ripe for Euro

BONN (Reuter) — The president of the European Commission, Jacques Santer, said Sunday he expected up to nine of the European Union's 15 members to qualify for participation in the single EU currency on schedule in 1999.

"I am confident, at least according to our forecast at this moment, that seven to nine members will fulfill the criteria," he said on ZDF television's Bonn Direkt magazine.

For the Record

Netscape Communications Corp. said it would release in two weeks a new version of its popular browsing software that is designed to keep the Internet software company ahead of rival **Microsoft Corp.**

Corporate Express Inc. announced Sunday that it would buy **U.S. Delivery Systems Inc.** for $410 million, creating a new company with $1.6 billion in revenues that will sell and deliver office supplies.

Mediobanca SpA of Italy is expected to announce details of its bid for a 10 percent stake in holding company **Ferruzzi Finanziaria SpA** early this week. Consob, the Italian stock market regulator, which is forcing Mediobanca to make the bid, repeated a request for more information from the Milan investment bank late Friday regarding the purchase.

Deutsche Telekom AG said an error in software supplied by **Alcatel SEL AG** would cost the telephone company 100 million Deutsche marks ($69.5 million) and that it may seek damages, according to German press reports.

Yemen said it had abolished the official exchange rate for the national currency, the riyal, but added that it would use its exchange reserves to defend its value. The central bank had set aside reserves of $480 million to defend the riyal over the next 15 months. "We will not have an official rate but at a given point, we will intervene to protect what we consider the real and practical rate," an official said. *(Bloomberg, Reuters)*

Momentum Builds to Revoke Taiwan Tax Measure

Compiled by Our Staff From Dispatches

TAIPEI — President Lee Teng-hui told a local business association Sunday that he disagreed with a newly passed bill for the reintroduction of a capital-gains tax on shares.

The capital-gains measure caused the Taiwan stock index to plunge 6.74 percent on Friday, its biggest one-day loss since 1990.

A coalition of members from the opposition Democratic Progressive Party and New Party pushed the measure through on Thursday when many members of the governing party were absent.

"With regard to the reintroduction of the stock capital gains tax, myself and Prime Minister Lien Chan don't think it is right," Mr. Lee said in a speech to a group of businessmen in the southern city of Kaohsiung that was broadcast on state radio.

He added that the bill, if implemented, would greatly damage the island's economy.

Taiwan's deputy prime minister, Hsu Li-teh, said over the weekend that the cabinet had been caught off guard by the vote to impose a 14 percent capital-gains tax on securities. He said the government would work to have a different version passed, Mr. Hsu said.

"A market where people don't make money is a dead market," Mr. Hsu said at a press conference.

On Saturday, the main index of the Taiwan Stock Exchange rose 47.91 points, or 1 percent, to 4,847.21 on hopes that the plan will stall.

A group of legislators moved Saturday to introduce an alternative, cabinet-backed plan that has a higher tax rate — 20 percent — but includes measures to protect smaller investors. The original plan will not go into effect at least until Parliament considers the new plan, legislative officials have said.

Mr. Hsu said the government in principle supports a tax on stock income, but does not want to see economic growth threatened.

"We can't forget our economic development goals" in order to reach tax and social objectives, he said.

Mr. Hsu added that he wanted Parliament to act on a new plan at a meeting on Tuesday or shelve the matter until after presidential elections on March 23, according to a report on Taiwan Television Enterprise.

The surprise passage of the tax bill by heralds a more volatile period for stock investors, analysts said. A slimmer majority for the ruling Nationalist Party in a new parliamentary session that begins next month will make the body's agenda less predictable, they said.

"Parliament actions are becoming harder to forecast and the influence of legislative news on the stock market will be huge," said Michael Chi, whose investment department at Taiwan Securities Investment Trust Corp. manages about $300 million of funds. "Market volatility is going to increase."

"We don't understand how this how thing happened," said Robin Wu, manager of the 800 million Taiwan dollar ($29 million) Strong Fund at United Investment Trust Co. "It all took place too quickly."

"It's not very good for Taiwan's international business reputation," said Scott Weaver, an economist with Peregrine Securities (Taiwan) Ltd. *(Reuters, Bloomberg)*

The Week Ahead: World Economic Calendar, Jan. 8-12

A schedule of this week's economic and financial events, compiled for the International Herald Tribune by Bloomberg Business News.

	Asia-Pacific	Europe	Americas
Expected This Week	**Bombay:** Prime Minister Jean Chrétien of Canada arrives with a business delegation to explore business opportunities. Jan. 10 to Jan. 15. **New Delhi:** SAARC Trade Fair 96, features South Asian products. Jan. 8 to Jan. 12.	**Madrid:** Automobile manufacturers association publishes new car sales figures for 1995. **Rome:** ANSA conference on telecommunications. From Jan. 12 to Jan. 13.	**Baltimore:** West-East Conference of Ministers, with economy, industry and trade minister from Group of Seven and Eastern Europe. Jan. 9 to Jan. 10. **Detroit:** The 1996 North American International Auto Show. Until Jan. 15.
Monday Jan. 8	**Perth, Australia:** Bank of Western Australia Ltd. begins accepting bids for its initial public offering. Ends Feb. 9 . **Taipei:** December and 1995 trade and gold import data.	**Basel, Switzerland:** Group of 10 central bank governors meets. **Bonn:** November factory orders possible. **London:** Bank of England releases full monetary statistics.	**Ottawa, Canada:** November building permits. **Salt Lake City:** Robert T. Parry, San Francisco Federal Reserve Bank president, speaks to the Wasatch Front Economic Forum.
Tuesday Jan. 9	**Sydney:** Australian wool sales resume. **Tokyo:** Japanese government is expected to hold 10-year government bond auction .	**Berlin:** DIW German Institute for Economic Research releases 1996 outlook. **London:** British Retail Consortium's retail sales for December. **Nuremberg, Germany:** December unemployment figures.	**Mexico City:** Central bank unveils December's inflation rate and foreign-reserve levels. **New York:** Johnson Redbook weekly survey of total sales at U.S. department, discount and chain stores.
Wednesday Jan. 10	**Hong Kong:** Great Eagle Holdings reports earnings results for year ended in September . **Kuala Lumpur:** Latexx Partners Bhd.'s final day to apply for shares in the initial public offering.	**Copenhagen:** Danish December car sales figures. **Duisburg, Germany:** Thyssen Stahl AG news conference. **London:** December cyclical indicators; November housing starts; October visible trade.	**Arlington, Virginia:** The American Gas Association releases its weekly U.S. natural gas inventory report. **Caracas: Venezuela:** holds weekly auction of short-term government securities.
Thursday Jan. 11	**Kuala Lumpur:** Government details its strategy to deal with a projected current account deficit at the 1996 National Economic Forum. **Sydney:** December unemployment figures .	**Paris:** Bank of France policy council meets; January consumer price inflation. **Wiesbaden, Germany:** German 1995 gross domestic product; December cost-of-living index.	**Mexico City:** Manufacturing industry figures for October. **Washington:** Initial weekly state unemployment compensation insurance claims; Federal Reserve Board reports weekly money supply.
Friday Jan. 12	**Kuala Lumpur:** Bina Darulaman Bhd., final day to apply for public offering shares. **Sydney:** November price indexes for manufactured goods. **Tokyo:** Japan Federation of Employers Association meets.	**Copenhagen:** November industrial orders. **Madrid:** December consumer price index. **Rome:** November industrial orders and sales.	**Atlanta:** The Atlanta Fed Survey of manufacturing conditions in the Southeast is released. **Washington:** Weekly report on commercial and industrial loans at U.S. banks; consumer price index for December.

VENTURES: *China Issues Warning*

Continued from Page 11

"The fact that too few restrictions are attached to BOT arrangements, as was shown in recently implemented pilot projects, could eventually prove treacherous," Mr. Xu said.

Without careful wording in funding-arrangement contracts, foreign investors could be tempted to raise prices, trigger inflation and in the end undermine the state's overall adjustment capacity, he argued.

"The core of the lesson I teach is that domestic players should hold on to their majority stake because he who controls rakes in more money," he said.

Meanwhile, China's news media have been asked to support the development of the securities market this year by publishing only upbeat news, a newspaper reported.

"The mass media shall emphasize reports on the bright side of the listed companies," the Shanghai Securities News daily quoted Zhou Daoqiong, chairman of the watchdog China Securities Regulatory Commission, as saying.

"They should guide investors to be more concerned about the management of a listed company," Mr. Zhou said in an interview with the newspaper on the subject of the focus of the watchdog's activities in 1996.

He said the media should guide investors to protect their own interests and "repeatedly remind" them that they had invested willingly and therefore should take responsibility for their own investment decisions and the risks involved.

Mr. Zhou said that the watchdog would also pay attention this year to the standardization of listed companies and their compliance with the corporate law and existing regulations to safeguard the rights of shareholders and promote the development of listed companies.

He said that interior supervision of listed companies should be strengthened and risk control should be established.

China's fledgling securities industry is still in an early stage of development when regulations are not fully in place and violations are common while investors take a short term view on their investment. *(AFP, Bloomberg)*

■ China Ends Car-Factory Ban

China's car industry is set for a shake-up after the government indicated Sunday it had decided to lift its two-year-old ban on new auto plants and to lower its tariffs on auto imports, Bloomberg Business News reported from Beijing.

The official China Daily said Beijing "has just lifted" its ban on new plants. It did not give a date.

The lifting of the ban is likely to renew interest from foreign makers such as Ford Motor Co., Toyota Motor Co. and Nissan Motor Co., which have recently said they wanted to boost their presence in China.

But present and future carmakers in China will face greater competition from imports after China cuts import tariffs on autos by 30 percent beginning on April 1, the China Daily said.

A 30 percent cut in auto tariffs would still leave local producers will high protective barriers. Imports of cars with small engine capacity now receive a 110 percent duty, while cars with larger engines face a 150 percent duty.

China to Pay 45% More in Bond Costs

Agence France-Presse

BEIJING — The Chinese government will have to pay a record 110 billion yuan ($13.3 billion) in principal and interest on treasury bonds this year, raising concerns over new inflationary pressures, the China Daily said Sunday.

According to the State Information Center, the surge in repayments — up 45 percent from 75.67 billion yuan in 1995 — will aggravate the government's problems in balancing the state budget in 1996.

Officials at the Chinese Finance Ministry have already admitted that an excessive debt burden will result in strong inflationary pressures and a negative economic impact.

The need to narrow the budget deficit — estimated at 66.68 billion yuan for last year — and the obligation to redeem old bonds, will continue to force China to expand its treasury bond issue over the next five years, albeit at a slower rate than in the past.

Since 1991, China's annual bond issue has increased from just 19 billion yuan to 153 billion yuan last year, with the value of coupons outstanding at September 1995 reaching 330 billion yuan — or 6 percent of the national gross domestic product.

The ballooning of the bond issue in 1994 and 1995 followed the adoption of new regulations under which the state treasury, beginning last year, was unable to offset its budget deficit by borrowing from the central bank.

PHONES: *Rate-Increase Proposals Rile Users of Internet*

Continued from Page 11

minutes with a fast analog modem. With ISDN, it is also possible to transmit compact disk-audio quality sound as well as acceptable video-conferencing images, which analog modems are not capable of.

But the adoption of the technology has been slow in coming in part because many Bell companies have been tardy in recognizing the market emerging or have priced the service too high to compete in the consumer marketplace.

"I can't begin to understand their perspective," said Andrew Grove, chief executive of Intel Corp. and one of the foremost advocates for quick deployment of the technology. "When these people were kids did they ever try to sell lemonade at the lemonade stand?"

Critics charge that the telephone industry is engaging in price gouging because studies in several states have shown that ISDN costs less than $10 a month more to deliver than does analog service.

James Love, director of the Consumer Project on Technology, a consumer advocacy group in Washington, said the regional phone companies were hurting the computer world. "They need to price ISDN right if they are going to make it a mass-market consumer product," he said.

It may also be a blunder for the phone companies to give an advantage to their most-feared potential competitors, the cable industry, as it begins to deploy low-cost digital interactive systems that will include digital telephone service and computer networks.

Later this year a variety of cable companies are planning to introduce inexpensive cable modems that will permit subscribers to attach their personal computers or even telephones to the cable network for a fee that is expected to be below $40 a month.

At that level, cable would be below current phone prices, and less than the increased levels sought. In addition, cable offers a much faster speed and better applications.

The proposal has angered people who use the ISDN service to work from home. Phil Karn, a telecommunications engineer in the San Diego area, said that the new Pacific Telesis tariff would cost him about $100 more a month.

He said he was upset by the proposal to lift rates and was eager to switch to cable when it became available.

Internet address: CyberScape@ihs-lib.demon.co.uk

DINGMAN: *Foreigner Gives Czech Business Jolt of Western Style*

Continued from Page 11

Having helped build Allied Signal into a giant conglomerate, he took the pieces that did not fit and formed another company, Henley Group Inc.

Mainly through cost-cutting efforts and financial incentives to line managers, he turned this ragtag collection of 35 lackluster businesses around, and then spun them off to Henley shareholders or took them public, making a fortune for himself in the process.

Whether Mr. Dingman can perform more magic here is an open question. He has a wily partner in Mr. Kozeny, who knows all the players and which buttons to push even though he, too, now makes his home in the Bahamas.

But the fact that Mr. Dingman has already run into some opposition — at the beer company, for one, which is still balking, — is an indication of the high anxiety over his rough-and-tumble business style. Most privatized companies are owned by passive investors through mutual funds managed by Mr. Kozeny and others — and hard decisions about making the companies more competitive internationally, including the need for layoffs in some cases, have been rare.

Mr. Dingman says he will bring to Czech corporate culture what has been lacking: hands-on management by a real owner. In so doing, he told Czech officials and managers during his two-day visit in late November, he would "unlock the value of the assets."

He is working, he said, with Mr. Kozeny, who is his neighbor in the Bahamas, to buy plants in Russia that will complement the Czech companies and form the basis for an industrial empire in Eastern Europe and the former Soviet Union.

In the last month, Mr. Dingman has reached agreements to invest in two Russian companies whose businesses relate to some of the larger holdings in the Czech Republic.

Western "troubleshooters" — friends of Mr. Dingman's from his network of contacts in the United States — will lead the charge. One is installed at Ceska Namove Plavba, or Czech Ocean Shipping, the national cargo carrier, in which Mr. Dingman and Mr. Kozeny have a 69 percent stake.

Retired executives from Texaco Inc. have looked over Moravske Naftove Doly, the country's sole oil and gas exploration company, in which the partners hold a minority interest. The new arrivals will help tighten financial management while broadening marketing efforts, Mr. Dingman said.

"The historical education of Czech managers is different from American and Western managers — in marketing, where you need to sell as opposed to allocate, and in the area of cost control," Mr. Dingman said.

William Genco, an analyst at Merrill Lynch & Co. who has long followed Mr. Dingman's career in the United States, notes that "he has a track record of attracting extraordinary managers."

But at the beer company, Mr. Dingman faces an entrenched management, proud of its history and unused to aggressive marketing. At Sepap, the paper company, he will have to show industry professionals that he brings as much expertise to the table as did AssiDoman, the company's Swedish partner that Mr. Dingman outflanked in the boardroom battle.

For these and other reasons, several market analysts here expressed reservations about Mr. Dingman and his Nassau-based Stratton Investments Co.

"There is no question that industry needs a shake-up," said Alex Angell, a director of Wood & Co., a leading brokerage firm in Prague.

"But whether the best results will be encouraged by fear remains to be seen," a reference to the shake-up at Sepap that resulted in the removal of its manager from the board.

Mr. Dingman got on the road to Eastern Europe shortly after he renounced his American citizenship in 1994 and moved to the Bahamas, a tax haven. He began to study emerging markets and became friendly with Mr. Kozeny, who had moved to the Bahamas after Czech prosecutors started investigating his involvement with a government official convicted of selling state secrets. (The government has since made it clear that Mr. Kozeny would not be prosecuted if he came back, but he has chosen not to return.)

"Ten months ago, Viktor pulled out a map of the industrial world," Mr. Dingman recalled. "He said: 'In Eastern Europe and Russia, all the facilities are in place.' The roads, the pipelines, the factories, the aluminum smelters. There's no serious industrial infrastructure in Southeast Asia. It already exists in Central Europe and clearly this offered extraordinary opportunities for fungible products like paper, cement, aluminum and steel."

Mr. Kozeny, a Harvard-educated Czech-American, offered access. He got that access by gambling big on privatization's future. When the country's state industries went on the block, each Czech got the right to buy vouchers to purchase shares. More than 800,000 Czechs entrusted their vouchers to Mr. Kozeny, who promised a tenfold return within a year in return for a management fee. The market went up sixtyfold.

"The perception from the Czech Republic is that 'We own the market, no one will mess in this territory,' " Mr. Dingman said. "But coming from a Western market and being frightened to death of Western consumer companies who are so good and so cunning, I'd be concerned."

Of his own future here, though, Mr. Dingman seems to have few concerns, even after his shaky start at the beer company. "I'm disappointed," he said, "but not deterred."

BusinessWeek

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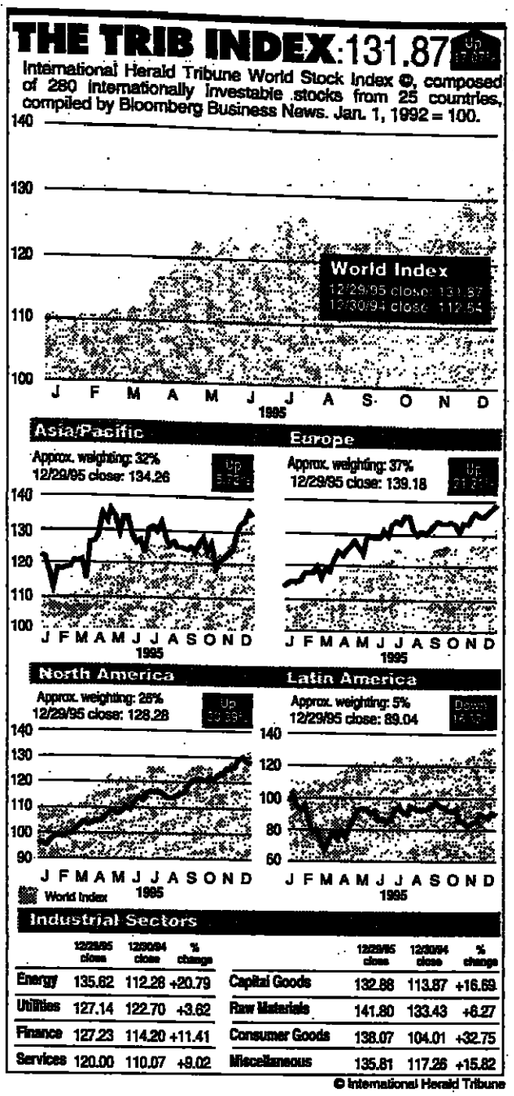
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1995 U.S. STOCK MARKET REVIEW



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1995: The Year of Living Comfortably With Blue Chips

By Lawrence Malkin
International Herald Tribune

NEW YORK—Blue-chip equities delivered the goods for followers of the International Herald Tribune World Stock Index last year in the same way that these stodgy-but-safe companies protected them from heavy losses in the slump of 1994.

Although Silicon Valley and its high-flying stock market spin-offs hit the headlines, the 17 percent annual gain in the Trib Index, which rose to 131.87 on Dec. 29 from 112.64 at the end of 1994, represented a gratifying performance with far less anxiety than technology-based investors suffered.

The Trib Index comprises 280 of the most heavily traded stocks in the world's 25 leading markets, measured in U.S. dollars. The large-capitalization stocks in the Trib Index, which is compiled by Bloomberg Business News, are favored for safety by big mutual and pension funds. When interest rates fall — as they have precipitously in the United States and to a lesser degree in Europe — managers tend to pull money out of the credit markets and put them into equities.

Economic weakness late in the year brought down interest rates but deflated earnings expectations, making many of the Trib Index components more stable bets than the technology sector.

Not that it was a bad year for technology stocks: The American Stock Exchange's Computer Technology Index rose 42 percent, to 228.62 from 161.50, but all of the gain was in the first half. After reaching the 259 level in July, the gauge began a volatile jitterbug that ended with a slide in the final two months of the year. The Nasdaq composite index, whose 5,000-plus shares include many technology issues, exhibited a similar pattern, rising 40 percent for the year but essentially going nowhere after the first week in September.

Wall Street was the biggest positive influence on the Trib Index for 1995, with the North America component rising 33 percent after two losing years. Europe was close behind. Despite an economic slowdown and uncertainty over Europoean integration, the European component index did surprisingly well. It rose 21 percent, not far behind the 25 percent rise in 1994.

U.S. Stock Market Review
The final prices for all major markets.

Stocks in the other two regional subindexes are generally in smaller-capitalization companies and turned out to be much less dependable, in dollar terms.

After turning in 1994's best performance of any regional index with a gain of 8 percent, Pacific Rim markets were in the doldrums last year because of Japan's recession and a pause for reflection by investors about the emerging economies of the rest of East Asia, especially China.

This held the Asia/Pacific Index in 1995 to a 6 percent gain.

The Japan component was lackluster with a 5 percent gain, but investors would have done relatively well by sticking with the 20 Trib Index stocks. Tokyo's benchmark 225-stock Nikkei index rose just 1 percent. Unlike the other Trib Index components, the country indexes are reported in local-currency terms.

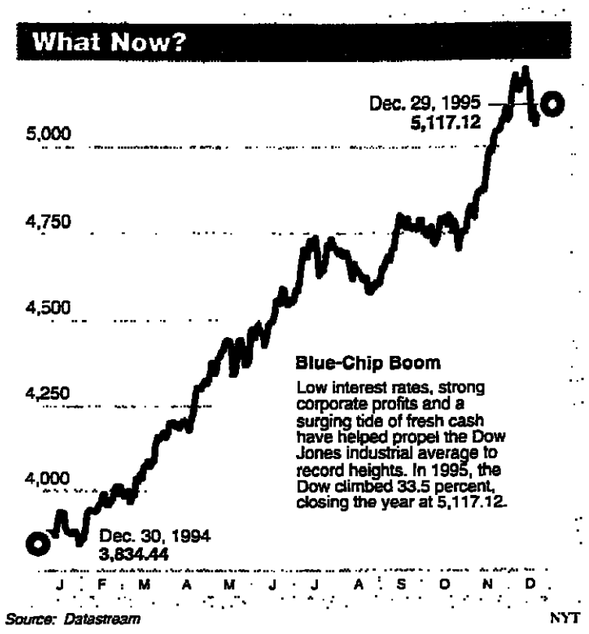
Meanwhile, the Hong Kong component of the Trib Index had a stellar year, rising 26 percent, with a year-end rally fueled by the outlook for falling interest rates in the United States. The Hong Kong dollar is linked to its American counterpart, and the colony's interest-rate environment is therefore dependent on that in the United States.

Latin America staggered through much of last year in what was described as the tequila effect brought on by the financial crisis in Mexico. The Trib Latin America index began the year at the best level it would see, 106.40, skidded to a low of 53.27 on March 9, and climbed back in May to just above 90, swinging thereafter between 80 and 100. It ended 1995 with a 16 percent loss, following a 14 percent drop in 1994.

The Mexican component actually had a good year, rising 10 percent. But that was because the country's financial crisis, which had pushed it down 17 percent the previous year, as the peso tumbled.

Currency shifts had little effect on Europe's markets, with the exception of Switzerland, which paced the Continent with a rise of 29 percent in its Trib Index component. That reflected strong performances by pharmaceutical and banking stocks, such as Swiss Bank Corp., which rose 30 percent, thanks to strong performances by such issues as Sandoz AG, which rose 53 percent in Swiss franc terms.

Other European standouts that appear in the Trib Index were Glaxo Wellcome PLC, which went up 38 percent in local-currency terms, Royal Dutch Petroleum, up 19 percent, and British Petroleum PLC, up 27 percent.



Banks performed well because of falling interest rates, which according to David Testa, chairman of T. Rowe Price Fleming International, still offer the best hope for growth in Europe this year. The finance component of the Trib Index was up 11 percent for the year.

In the United States, deep structural reforms in some of the world's largest financial and manufacturing companies were as important in increasing earnings as falling interest rates were in supporting the U.S. economy, but nothing lasts forever.

Long-term interest rates have plummeted about 2 percentage points since the autumn of 1994, a decrease of this size is almost mathematically impossible in 1995 short of a full-scale recession, which would take the equity markets with them.

"Whatever the good news was last year, it's baked in the market already and no big surprises are likely, at least not positive ones," said Laszlo Biryini, who tracks world markets for his own consulting firm in conjunction with Bloomberg. "So I'm positive about the markets, but with a small 'p.' "

NYSE

Final 1995 Prices
The Associated Press.

Continued on Page 16

1995 U.S. STOCK MARKET REVIEW

NASDAQ

National Market Final 1995 Prices

The Associated Press.

Stocks	Div	Yld	Sales 100s	12 Month High	Low	Last	Change
A							
A Plus		—	129031	16¼	11½	11¾	—1¾
AAON	1.23f	—	72450	13⅝	4½	5⅛	—6
ABC Bc s	.48	2.8	7736	14¼	9	14¼	+5¼
ABC Rail		—	172591	27¾	19⅝	22⅛	+⅛
ABR Inf s		—	48263	44	12	44	+30½
ABS	.20	2.6	27468	13½	5⅞	7¾	—4
ABT Bld		—	79218	19¾	12	14⅛	—¼
ACC Cp	.06i	—	199920	24⅛	13	23¾	+8¾
ACT Mf n		—	217854	19⅛	9½	11⅝	—2⅝
ACT Net n		—	278915	22⅝	5⅜	15⅝	—1⅛
AdamsR n		—	66691	14⅛	4⅜	6½	—5½
ADCTel s		—	1230123	49⅞	22	36¾	+11½
ADECo n		—	71258	18¾	12	14½	—2½
ADFlex		—	175274	31⅛	16	22⅞	+10
AEL		—	23067	29⅜	8⅛	27⅝	+18⅞
AEP Ind	.10i	—	21143	27¼	16½	22	+3⅝
AER En		—	112844	6⅛	2⅝	2⅞	—1⅞
AES Chn		—	126442	10⅞	7⅞	8	—2⅜
AES Cp		—	344157	24	16	23⅞	+6⅞
AFC Cbl		—	92536	21	11	13⅛	—3½
AG Asc n		—	185483	29⅛	12¾	14⅜	—1⅞
AHPHlth n		—	738156	16	5½	5⅝	—9⅞
AMLCo n		—	10330	10⅛	9	10½	—
AMXCo n		—	29099	9⅞	6½	8¼	—
ANB	1.00	3.1	3471	32½	23⅞	32½	+7½
APACT n		—	132056	34⅞	17⅜	33⅞	+12½
APS Hld		—	110824	30⅛	17⅞	22⅞	—5⅛
ARI Net		—	27838	3⅝	1⅛	2⅛	—1⅛
ARVLiv n		—	52631	15⅛	9½	11⅝	—3½
ASB Fn n	.30	1.9	13107	16⅝	11⅝	15⅝	+3⅝
ASM Lit n		—	514103	56⅝	19½	31⅞	+10⅞
AST		—	1086716	19⅞	7½	8⅛	—6⅛
ATC Env		—	103623	18⅞	8⅞	11⅞	—4⅞
ATC EnC		—	15544	9⅞	3⅞	5	—2⅞

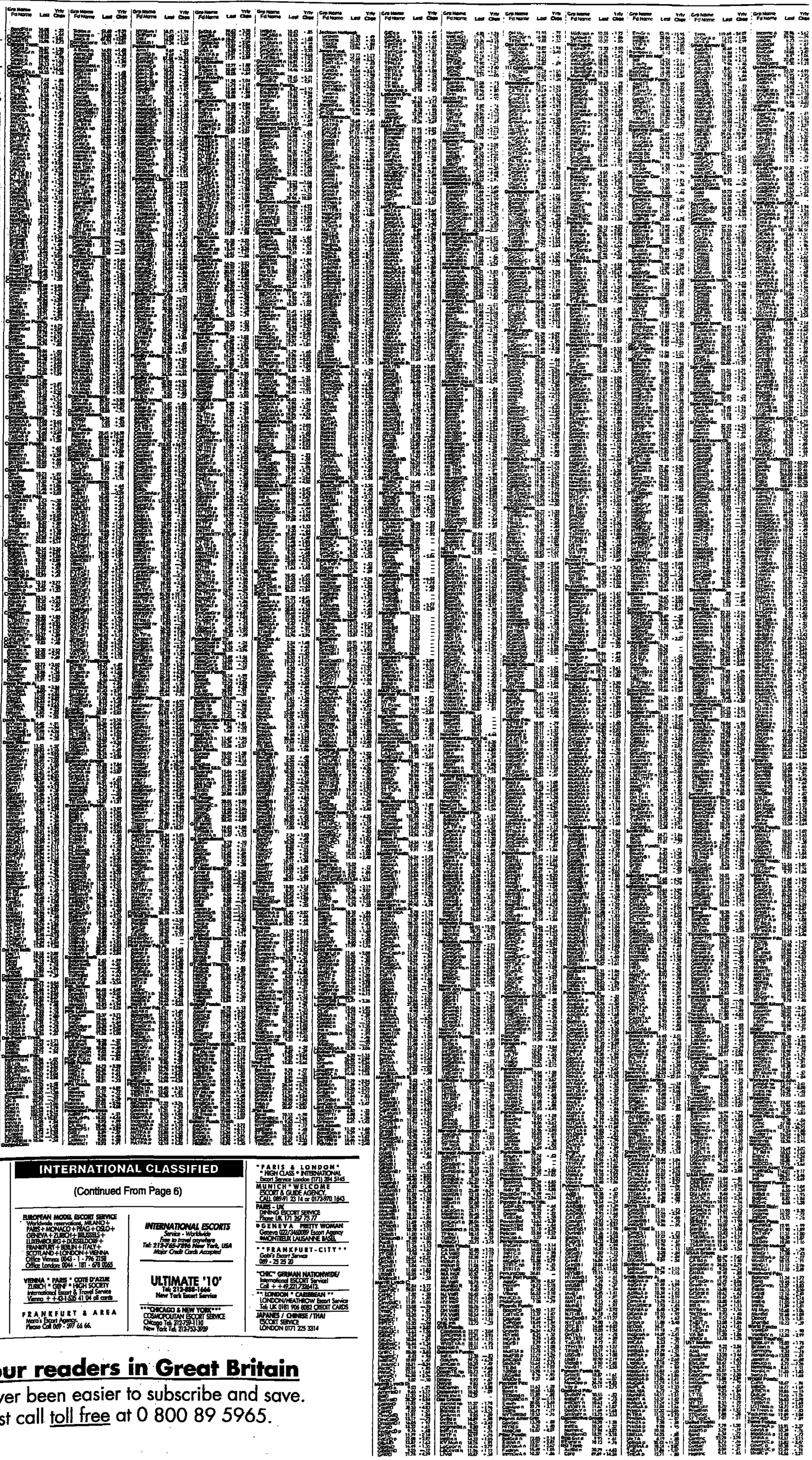
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1995 U.S. STOCK MARKET REVIEW

MUTUAL FUNDS

Final 1995 Prices

The Associated Press.



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1995 U.S. STOCK MARKET REVIEW

AMEX

Final 1995 Prices

The Associated Press.

12 Month High	Low	Stock	Yld	PE	Sls Vol.	High	Low	Close	Ch'ge
		A							
8⅝	7⅞	AIM Str	7.2	...	30273	8⅛	7⅞	8⅛	+⅛
9⅝	5⅝	AM Intl	...	73	4911	9⅛	5⅝	5¹³⁄₁₆	—3⅝
⅝	⅟₁₆	AM Int wt	...	...	3186	⅝	⅛	⅛	—⅟₁₆
28¾	9⅝	AMC	...	11	40397	28¾	9⅝	23⅛	+13⅛
49½	30⅝	AMC pf	4.3	...	20732	49½	30⅝	49¾	+17⅞
4	1⅜	ARC	...	3	65443	4	1⅜	2⅝	—1⅛
26⅛	19½	ARM F pf	9.5	...	26280	26⅛	20⅛	26	+4⅝
20½	10⅜	ASR s	12.6	6	58697	20½	11	15⅜	+5⅛
87½	63⅝	ATT Fd	3.2	...	21564	87½	63⅝	87⅛	+23⅛
15⅝	6⅝	AckCom	.2	33	27230	15⅝	6½	15⅛	+8⅝
4⅛	2¹³⁄₁₆	AcmeU	...	...	10561	4⅛	2¹³⁄₁₆	3⅝	+⅝
2⅛	⅞	Action	...	...	79301	2⅛	⅞	⅝	—1⅛
[illegible]									

NYSE

Final 1995 Prices

(Continued)

12 Month High	Low	Stock	Yld	PE	Sls Vol.	High	Low	Close	Ch'ge	Pct. Ch'ge
[illegible]										

Continued on Page 18

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10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17
18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25
26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33
34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41
42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49

GAME 6	GAME 7	GAME 8	GAME 9	GAME 10
1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9
10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17	10 11 12 13 14 15 16 17
18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25	18 19 20 21 22 23 24 25
26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33	26 27 28 29 30 31 32 33
34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41	34 35 36 37 38 39 40 41
42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49	42 43 44 45 46 47 48 49

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1995 U.S. STOCK MARKET REVIEW

NYSE

Final 1995 Prices

(Continued)

12 Month High	Low	Stock	Yld	PE	Sls Vol.	High	Low	Close	Ch'ge	Pct. Ch'ge
11¾	7⅝	MS India	1.9	..	275249	11½	7⅞	9⅝	–2⅛	–18.9
82½	55¼	Morgan	4.0	14	1327912	82½	56⅜	80⅝	+24⅛	+43.0
84¾	60⅝	Morgn pf	6.3	..	9945	84⅝	61⅞	80	+18⅝	+29.8
27⅞	12½	Morrison	2.6	11	264319	27⅞	12½	14	–10½	–42.9
13	4	MorKnd	..	..	947042	13	4	4½	–8⅛	–64.7
36½	25¼	Mortonint	1.4	18	1161810	36½	25⅞	35⅝	+7⅝	+25.9
82½	51½	Motorola	.7	19	8770330	82½	51½	57	–1	–1.7
29⅝	13¾	Mueller s	..	13	82258	29½	14⅛	29⅝	+14¾	+95.0
24¾	14⅛	Multicre	..	28	204209	24¾	14⅞	24	+4¼	+21.5
13	10⅝	MuniIns	7.0	..	34803	13	11	12⅛	+1¼	+11.2
12⅛	9⅝	MunAdv	6.6	..	40401	12⅛	9⅞	11⅞	+2	+20.3
9⅜	8	MuniH	7.6	..	50118	9⅜	8	8⅞	+⅞	+6.3
8⅝	7½	MIOT	7.4	..	54497	8⅝	7⅝	8⅝	+⅞	+11.5
8⅝	7¼	MIOT2	7.8	..	69946	8⅝	7¼	8⅝	+1⅛	+17.3
9⅝	7¾	MIOT3	7.5	..	38137	9⅝	7¾	8⅞	+1	+12.9
9⅝	8⅝	MuIT	6.6	..	70969	9⅝	8⅝	9⅛	+⅛	+2.8

NASDAQ

National Market Final 1995 Prices

(Continued)

FINAL 1995 CURRENCY RATES

Cross Rates

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.6044	2.4885	1.1192	0.3275	0.1013	—	5.449	1.3938	1.5551	1.1775	1.3255
Brussels	29.45	45.675	20.5485	6.009	1.8581	18.3235	—	25.58	0.2854	21.61	24.25
Frankfurt	1.4336	2.2135	—	0.2925	0.9045	0.8934	4.8686	1.2454	1.3908	1.0486	1.1797
London (a)	1.5517	—	2.2229	7.5978	2,440.30	2.4898	45.6295	1.7853	160.14	2.1159	188.305
Madrid	121.480	188.33	84.494	24.777	7.461	75.693	4.1223	105.389	118.353	89.308	—
Milan	1,582.50	2,451.50	1,106.00	322.05	—	986.80	53.796	1,375.00	15.346	1,159.90	13.06
New York (b)	—	1.5515	1.4365	4.9065	1,589.80	1.6021	29.52	1.1535	103.40	1.3644	121.71
Paris	4.90	7.604	3.4182	—	0.3092	3.0541	0.1664	4.2588	4.7495	3.5964	4.0394
Tokyo	102.95	159.34	71.57	20.92	6.651	63.94	3.475	89.25	—	75.65	0.8469
Toronto	1.3645	2.1176	0.9531	0.2788	0.086	0.8517	0.4641	1.1849	1.3212	—	1.125
Zurich	1.1521	1.7865	0.8039	0.2354	0.0727	0.7169	3.9093	—	1.1177	0.8443	0.9496
1 ECU	1.3142	0.8472	1.884	6.4398	2,080.71	2.1086	38.4979	1.5128	135.59	1.7907	159.549
1 SDR	1.4865	0.959	2.1389	7.2828	2,355.67	2.3849	43.7251	1.7102	152.856	2.0284	180.46

Closings in Amsterdam, London, Milan, Paris, New York, Toronto and Zurich. fixings in other centers.

*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9993	Greek drac.	237.10	Mex. peso	7.69	S. Afr. rand	3.6492
Australian $	1.3441	Hong Kong $	7.7315	N. Zealand $	1.531	S. Kor. won	773.75
Austrian sch.	10.07	Hung. forint	139.55	Norw. krone	6.3225	Swed. krona	6.6892
Brazil real	0.972	Indian rupee	35.15	Phil. peso	26.21	Taiwan $	27.29
Chinese yuan	8.3179	Indo. rupiah	2291.5	Polish zloty	2.47	Thai baht	25.18
Czech koruna	26.60	Irish £	0.6245	Port. escudo	150.28	Turkish lira	61207.5
Danish krone	5.5493	Israeli shek.	3.1479	Russ ruble	4640.	UAE dirham	3.6726
Egypt. pound	3.3955	Kuw dinar	0.2998	Saudi riyal	3.75	Venez. boliv.	333.00
Fin. markka	4.3826	Malay. ring.	2.5407	Sing. $	1.4128		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5408	1.5397	1.5387	Japanese yen	102.58	102.17	101.76
Canadian dollar	1.3625	1.3626	1.3628	Swiss franc	1.1471	1.1438	1.1402
Deutsche mark	1.4303	1.4283	1.4262				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Continued on Page 19

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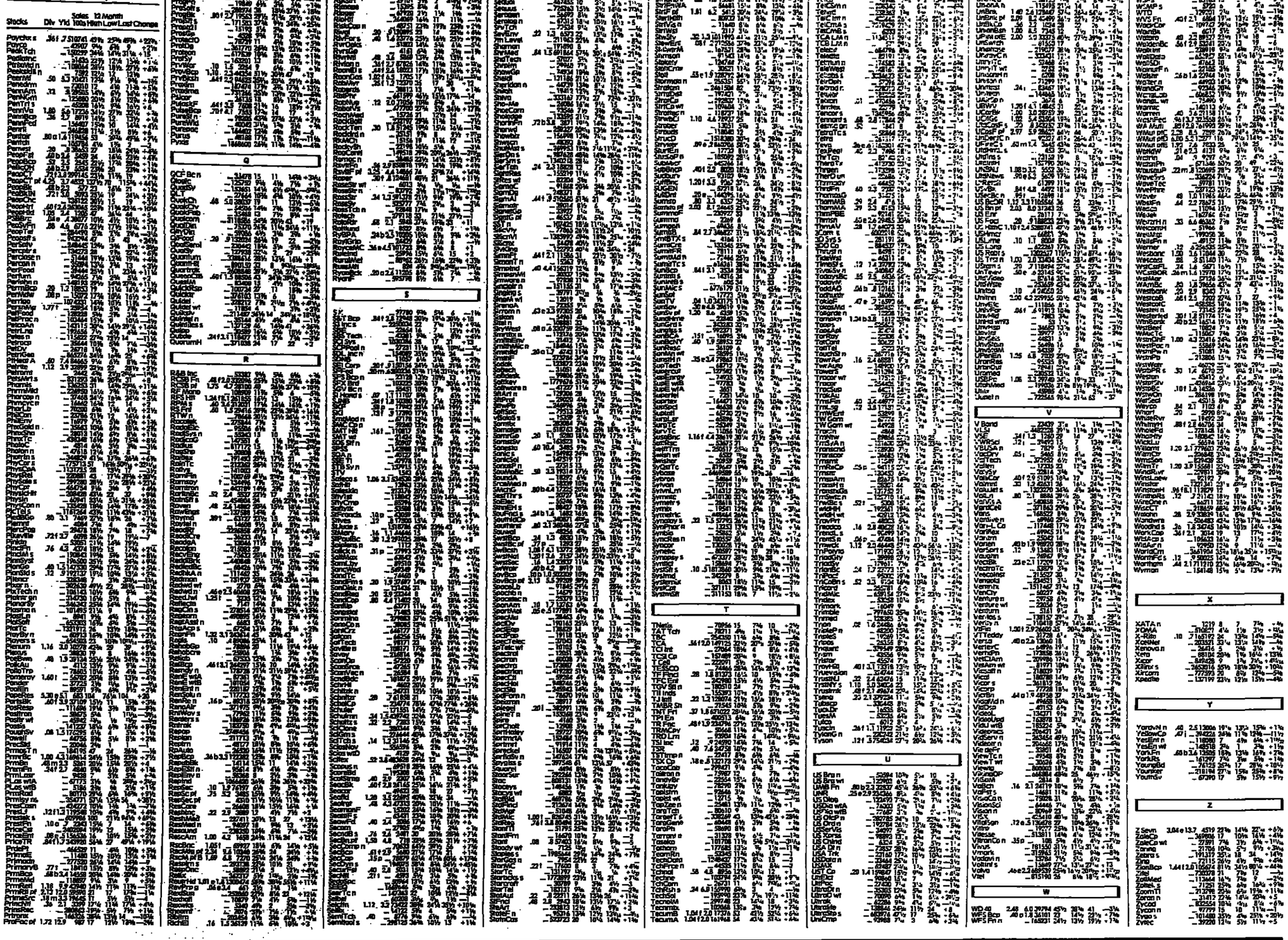
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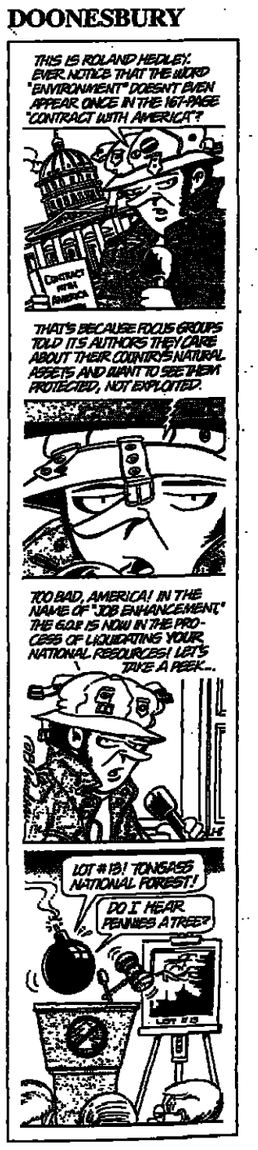
1995 U.S. STOCK MARKET REVIEW

NASDAQ

National Market Final 1995 Prices
(Continued)



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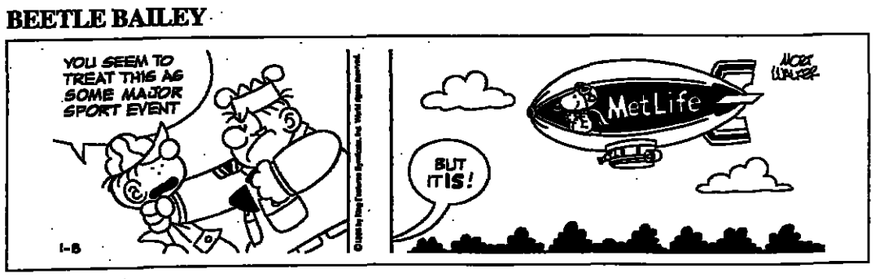
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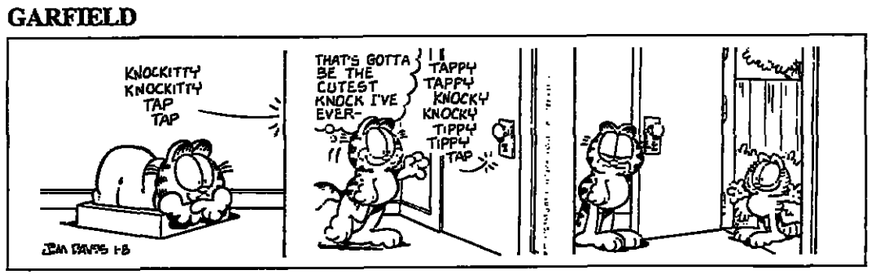
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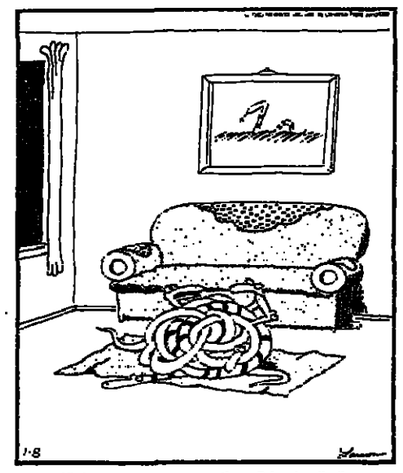
PEANUTS



GARFIELD



THE FAR SIDE



"This was your suggestion, Ednal ... 'Let's play Twister, everyone, let's play Twister!'"

JUMBLE

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

DIPEW

MOFUR

RAZTUQ

KOECIO



Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here : A _____ _____

(Answers tomorrow)

Saturday's Jumbles: RHYME BUILT FLAUNT TURGID
Answer: What the light bulb gave young Edison — A "BRIGHT" FUTURE

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A Sport Where the Pre-Game Warm-Up Means Lifting a Beer

International Herald Tribune

Vantage Point / **IAN THOMSEN**

FRIMLEY GREEN, England — In America they would call it a locker room, in Europe a changing room. In the world of darts, the world's best players prepare for the match in a bar.

"I like to have a couple of beers before I play," Steve Beaton was explaining after winning his semifinal in the Embassy World Professional Darts Championship. "It's just a habit, really. It's just the same as having a smoke."

This is one sport that can't complain about stars who forget where they came from. The truth is that they often never leave.

To walk through the swinging doors into the private bar that serves as the players' locker room, just a half-hour before they begin the most important Saturday of the darts year, is to fall immediately in love with their game. There are many people other than the players waiting in the room. They are seated in orbit around the tiny, round cocktail tables scattered upon the telltale, light-sucking, blood-red carpet. There are two televisions blaring from opposite walls and there is a cigarette machine in the corner and smoke rubbing down from the ceiling.

At the L-shaped bar the players pay for their own drinks.

"The game was brought up in the pub, and it should never lose sight of that fact," said Richie Burnett of Wales, the defending world champion. "Other sports, like snooker, have gone away from that. I can wake up tomorrow and box six rounds in a gym. I dare anyone who has a problem with it to try to keep up with me."

So great is the pressure of the £150,000 ($233,000) tournament — £36,000 to the champion Sunday night — that Burnett, the so-called "Prince of Wales," a fulltime darts professional at 28, was throwing up in his hotel bathroom for two hours early Saturday morning. His semifinal opponent, the unseeded Les Wallace, a 33 year old unemployed plasterer from Southampton, wasn't able to sleep.

The two of them were throwing darts in the players' private bar when loud music and louder applause came in from the room next door. Then the doors burst open to a sparkle of show-business lights. It called them from their quiet pub and into the cabaret room of the Lakeside Country Club, where 1,200 paying customers — a full house — were waiting to see them play.

The four semifinalists had been distilled from a field of 53 countries.

The four best turned out to be British, of course. At least 8.5 million Britons are thought to be dart players — and that number grows exponentially when counting anyone who has ever thrown a dart in a pub, which, in this country, might include everyone.

Les Wallace wore cream, knee-high socks, a kilt and a blue sweatshirt with his name over his heart and the words "DANGEROUS, BEWARE!" on the back. Inexperience cost him in his 5-2 loss to the tattooed Burnett, who said his career in darts was turned around after a road accident in 1992 that scarred his face and almost cost him his right eye.

To be a professional in this game is to travel at least 120 nights a year to any pub that will pay to have you. In the game's glory days, just a decade ago, several tournaments were televised annually and the top players benefited from their on-screen personalities.

But the British networks have lost some interest in the game — even though the players stopped drinking beer and smoking on stage (or maybe because they were more appealing when they were drinking and smoking) — and Rupert Murdoch, who can't seem to keep his hands off of anything, has hired away most of the top names for his rival, glitzier World Darts Council competition on his pay-TV channel. The World Darts Championship was broadcast from the Circus Tavern in Purfleet, a small town in Essex, last week.

"I'm just lucky enough that I can play well," said Andy Fordham, who is 33 years old and weighs 280 pounds (127 kilograms). He has tattoos on both forearms, a scraggly beard and long brown hair almost down to his belt. "Otherwise all of the people out there watching are just exactly the same as me."

For years he tried to become a professional. He spent many nights in the pub, working on his craft. Now he does two or three exhibitions a week, enough to get by. He would like to do more, but his 5-3 semifinal loss to Beaton didn't help him.

Beaton, 31, is the most marketable player not to sign with Murdoch. An official called him "the best-looking darts player ever." He is tall with a square jaw, a mustache, and his curly mane is moussed down past the collar. For more than two hours before their semifinal, he and Fordham drank beer, smoked and laughed. Then, from a distance of 8 feet (2.44 meters), they consistently hit targets slightly larger than a coin slot.

Alonzo's Comeback Has Denver Mourning

Nuggets Can't Beat the Heat

The Associated Press

Alonzo Mourning came off the injured list and scored 38 points, including a basket on a goaltending call with 14.7 seconds left, and the Miami Heat beat the foul-prone Denver Nuggets, 88-86.

Mourning, activated earlier in the day after missing the previous 12 games because of a foot injury, also had 10 rebounds Saturday night in Denver.

Mourning's performance overshadowed the return of LaPhonso Ellis, the Denver power forward who missed all but six games last season and who had not played this season because of knee problems. Ellis had eight points and seven rebounds in 23 minutes before fouling out with 35 seconds to play.

Denver's Dale Ellis and Mahmoud Abdul-Rauf hit three-pointers as Denver drew into an 83-83 tie with 1 minute, 16 seconds left. Miami's Bimbo Coles then hit a driving layup, but after his teammate, Billy Owens, missed two free throws, Abdul-Rauf sank another three-pointer with 27 seconds to give Denver an 86-85 lead.

Mourning's shot in the lane was blocked, but the rookie Antonio McDyess was called for goaltending and Mourning hit one of two free throws with 6.3 seconds left to give Miami the two-point victory.

Cavaliers 105, Magic 94 With Shaquille O'Neal sidelined by a sore thigh, Orlando's seven-game winning streak ended in Cleveland.

Chris Mills scored 23 points and Bobby Phills 20 for Cleveland, which has won nine of its last 11 home games against Orlando.

The Magic were missing two starters. O'Neal, who suited up but did not play, was nursing a strained left quadriceps muscle; Nick Anderson sat out because of a sprained right toe.

Dennis Scott led Orlando with 27 points. Anfernee Hardaway added 23.

The Magic trailed 55-51 at halftime and kept it close until midway through the fourth quarter, when Dan Majerle scored the last eight points of a 10-0 Cleveland run that put the Cavs ahead, 95-80, with 6:15 to play.

Hornets 96, Hawks 90 In Charlotte, Dell Curry, making his first start in nearly five years, had 21 points as the Hornets bounced back from their worst loss of the season with a victory over Atlanta.

Curry, who had not started since March 15, 1991, hit eight of 17 field-goal attempts, including four of nine from three-point range, helping to fuel a decisive surge in the fourth quarter.

Glen Rice scored 21 points for Charlotte, Kendall Gill had 17 and Larry Johnson, coming off a season-low four points against Chicago, added 16 points and 10 rebounds.

Mookie Blaylock had 22 points to lead the Hawks.

Pistons 90, Bullets 82 Grant Hill and Allan Houston had 25 points apiece to lead the Pistons over Washington in Auburn Hills, Michigan.

Otis Thorpe added 22 and 13 rebounds. Hill also had 12 rebounds for the Pistons, who have won eight of their last 11 games.

Bulls 113, Bucks 84 Michael Jordan scored 32 points and Dennis Rodman led the Bulls' domination on the boards as Chicago won in Milwaukee and matched the best 31-game start in NBA history.

Scottie Pippen added 20 points for the Bulls, who became just the fourth team in NBA history to start 28-3. The others were the 1966-67 Philadelphia 76ers, 1969-70 New York Knicks and 1971-72 Los Angeles Lakers.

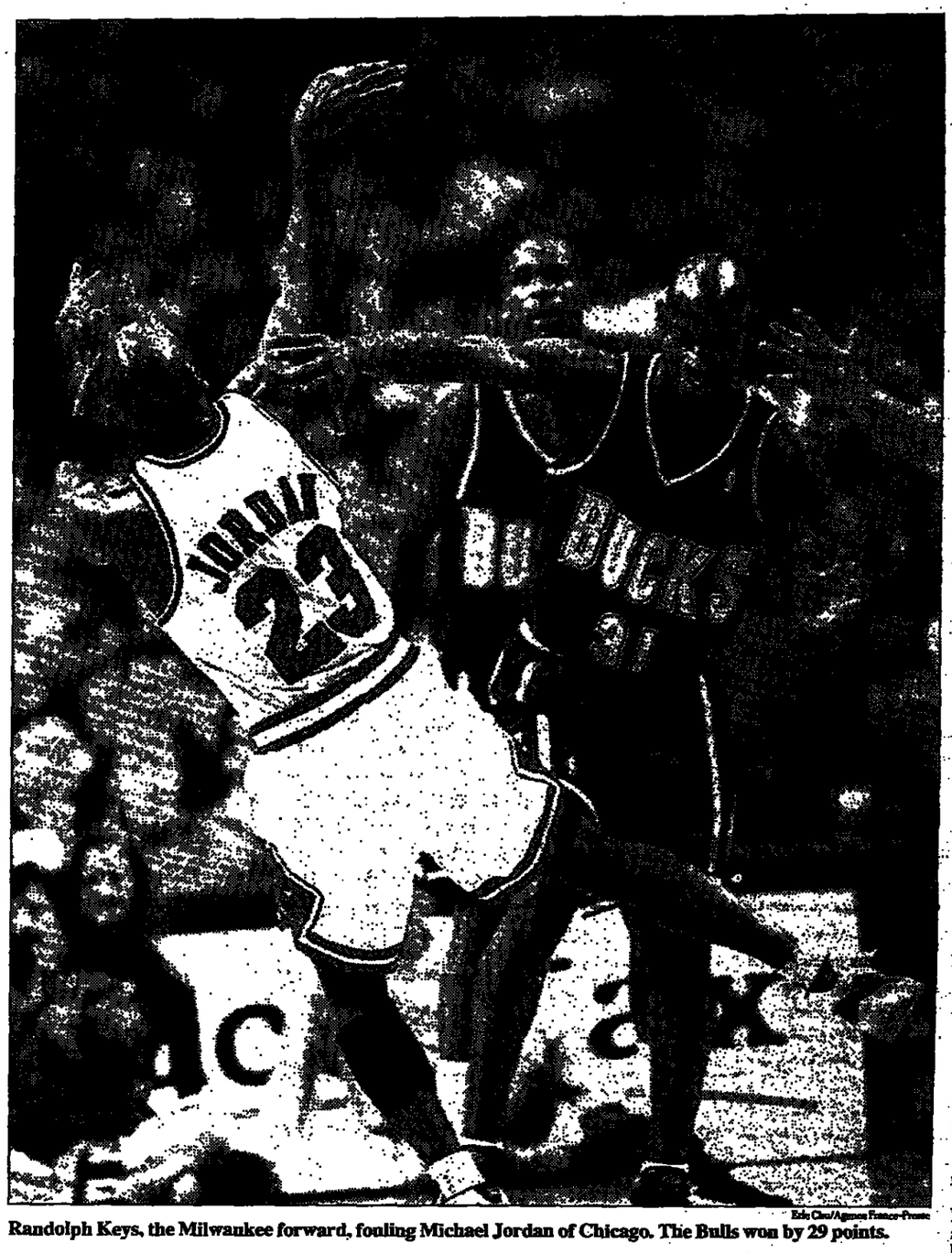
Glenn Robinson scored 23 points and Vin Baker 20 for the Bucks. Milwaukee's coach, Mike Dunleavy, was ejected on two technical fouls with 9:33 to play.

Rockets 98, Pacers 87 In Houston, Hakeem Olajuwon had 22 points and 15 rebounds as the Rockets welcomed Clyde Drexler back from the injured list with a victory over Indiana.

Drexler, who missed eight games with a bruised shin, played 36 minutes, finishing with eight points, five rebounds and seven assists.

The Pacers never led and lost for the first time in four games — all on the road. Indiana was led by Rik Smits and Reggie Miller, each with 14 points.

NBA ROUNDUP



Erik Cleu/Agence France-Presse

Randolph Keys, the Milwaukee forward, fouling Michael Jordan of Chicago. The Bulls won by 29 points.

UCLA Is Still Too Much for Washington

The Associated Press

When it counted in the final minute, UCLA was still UCLA. Once again, that proved too much for Washington.

The University of Southern California Bruins scored eight points in the final minute for a 78-70 victory over the Huskies in a Pacific-10 Conference game Saturday.

Toby Bailey, J.R. Henderson and Charles O'Bannon each sank two free throws and O'Bannon added a dunk as the Bruins completed a successful league-opening weekend. UCLA beat Washington State in overtime Thursday night.

The Bruins (9-3 overall, 2-0 Pac-10) returned to Seattle for the first time since winning the National Collegiate Athletic Association championship last year.

Washington (8-3, 1-1) had a five-game winning streak broken.

Stanford 90, No. 9 Arizona 71 Stanford was without a big man in the middle, but the Cardinal did have Dion Cross. The 6-foot-2 (1.86 meter) guard scored a career-high 30 points, including seven three-pointers, to lead Stanford to an upset over Arizona.

Stanford's 7-foot-1 center Tim Young was out because of back pain. But Crosswas unstoppable, scoring 14 of his team's first 16 points in the second half to give Stanford a 53-46 lead with 9 minutes, 41 seconds left.

Stanford sank 13-of-16 free throws in the final 2:55 to put it away.

Stanford (8-2, 2-0 Pac-10) stopped a 15-game losing string against Arizona. Arizona (10-3, 0-2) lost its second Pac-10 game in a row.

The Wildcats' 99-75 loss to California on Thursday night was their worst defeat in 13 years.

Southern Cal 83, Washington St. 81 Brandon Martin scored a three-point basket with less than a second left to lift Southern Cal to victory on the road.

The Cougars (7-3 overall, 0-2 Pac-10) lost their second heartbreaker in a row.

Houston 69, No. 3 Memphis 67 In Houston, the Cougars (5-6) held on for an upset victory. Memphis (8-2) did not lead after the midway point of the first half and lost its second straight game. The Tigers were beaten by No. 1 Massachusetts on Thursday.

South Carolina 85, No. 14 Georgia 73 South Carolina, turned up the tempo in the second half to beat the Bulldogs. South Carolina (7-3, 1-1 Southeastern Conference) made seven of eight shots — several on court-length drives — for a 17-5 run.

No. 16 North Carolina 88, Maryland 86 Antawn Jamison hit a short jumper at the buzzer in overtime, capping a career-high 31-point performance that carried North Carolina past Maryland, ending the Terrapins' 21-game home winning streak. Dante Calabria scored 21 for the Tar Heels (11-2, 2-0 Atlantic Coast Conference). Mario Lucas scored 21 for the Terrapins (6-5, 0-2).

No. 5 Cincinnati 71, South Florida 69 Cincinnati, off to its best start in 19 years, avoided an upset in Tampa when Art Long scored off a rebound with one second remaining to give the Bearcats a victory. Cincinnati blew a 10-point second-half lead before prevailing in the Conference USA opener.

No. 12 Wake Forest 75, Florida St. 73 In Tallahassee, Tim Duncan scored six straight free throws and then blocked LaMarr Greer's layup try at the buzzer in overtime.

Wake Forest (8-1, 1-0 Atlantic Coast Conference) had led the Seminoles (9-3, 1-1) by as many as 19 points early in the second half.

Rice 80, No. 23 Texas 69 In Austin, Rice launched the final Southwest Conference season by sending defending champion Texas to its worst league defeat in eight years.

No. 1 Massachusetts 78, Dayton 58 Massachusetts gave Dayton a rough welcome to the Atlantic 10 conference in Boston, led by Marcus Camby's career-high 38 points.

Camby also had 11 rebounds and four blocked shots to assure the Minutemen (12-0, 1-0) a third week atop the polls.

Michigan St. 68, No. 13 Illinois 56 In Champaign, Illinois, Ray Weathers scored all 16 of his points in the second half for Michigan State.

No. 8 Villanova 84, No. 24 Boston College 77 Kerry Kittles scored 33 points against the Eagles as the home team won its fifth consecutive game. Villanova (12-1, 4-0 Big East) has won five straight against Boston College (9-3, 3-2).

COLLEGE BASKETBALL

Finally, the Devils Start Playing Like Defending Cup Champions

The Associated Press

At long last, the New Jersey Devils are starting to look like the team that won the Stanley Cup.

They are still two games under .500, but the signs are encouraging.

The Devils beat the Washington Capitals, 3-1, Saturday night for their second straight impressive win. It followed a sparkling 1-0 victory over the Pacific Division-leading Colorado Avalanche on Wednesday night.

The Devils got an unexpected spark from Reid Simpson, who scored his first National Hockey League goal to start the way through the third.

Hodson, a 23-year-old rookie called up from Detroit's Adirondack minor league team when Mike Vernon went on the injured list with a groin injury, made his first NHL appearance in relief of starter Chris Osgood during the Red Wings' 5-2 loss Friday at Pittsburgh.

Maple Leafs 5, Avalanche 2 In Toronto Mike Gartner scored two goals as the Maple Leafs, playing with a revamped lineup, beat Colorado.

The Toronto coach Pat Burns, reacting to Friday night's 3-1 loss in Buffalo, made several line changes and used Damian Rhodes in goal because Colorado started Patrick Roy. Burns said Felix Potvin, his No. 1 goaltender, does not excel when Roy is at the other end.

The moves resulted in Toronto's first victory over a top-six team this season.

Sabres 7, Canadiens 6 In Montreal, Randy Burridge and Pat LaFontaine scored 18 seconds apart late in the third period to give Buffalo the victory over the Canadiens.

The Canadiens appeared to have the game put away when Pierre Turgeon scored his third goal of the game — his career 300th — to give Montreal a 6-5 lead at 10:47 of the final period.

But Burridge snapped one into the top corner at 17:02 and LaFontaine, with his second of the game, skated in alone and faked out Jocelyn Thibault at 17:20 to pull off the comeback victory.

Islanders 5, Senators 4 Travis Green and Zigmund Palffy each had a goal and an assist as New York extended a home winning streak to five games with a come-from-behind victory over Ottawa.

Marty McInnis, Niklas Andersson and Mathieu Schneider also scored for the Islanders.

Bruins 5, Whalers 2 In Boston, Cam Neely and Kevin Stevens came out of the coach's dog house to score a goal apiece as the Bruins beat Hartford.

Neely and Stevens dressed but sat on the bench for 65 minutes during the Bruins' 4-4 tie in Toronto Wednesday as the coach Steve Kasper sent a "wake-up call" to his team.

The Whalers had won their last two games.

Flames 2, Panthers 0 In Calgary, Rick Tabaracci stopped 20 shots to lead the Flames to their third shutout in six games.

Dean Evason scored his sixth goal of the season midway through the second period. Phil Housley added an empty-net goal in the final minute.

Florida has lost three of the first four games on a seven-game road trip.

Blues 3, Penguins 2 Dale Hawerchuk scored the game-winning goal on a breakaway 1:40 into the third period, and the goalie Grant Fuhr made 36 saves to lift St. Louis to a home-ice victory.

Brett Hull had a goal and an assist for the Blues, who played before a season-high 20,193 fans at Kiel Center. St. Louis, meeting the Penguins for the first time since Nov. 9, 1993, is 9-0-2 in its last 11 home games against Pittsburgh.

The Penguins, who were without league-leading scorer Mario Lemieux and Ron Francis, got goals from Petr Nedved and Bryan Smolinski.

Kings 7, Sharks 5 Tony Granato, John Slaney and Dimitri Khristich scored during a five-minute power play as Los Angeles completed a home sweep of San Jose.

The Kings snapped a nine-game road winless streak with a 5-2 victory on Friday at San Jose.

The Kings' five power-play goals were their highest total since Nov. 25, 1993, at Quebec. They entered the game with only two in their previous 25 opportunities, and were ranked 17th among the NHL's power-play units.

Canucks 9, Lightning 2 Alexander Mogilny notched his third hat trick of the season and Vancouver scored five times in the second period to roll past the visiting Tampa Bay Lightning.

Mogilny has been red-hot, with seven goals and four assists in the last three games, as the Canucks won two and lost one.

The Lightning wrapped up a week that began with a humiliating 10-0 shutout by Calgary before rebounding the next night for a 5-0 Victory over Edmonton.

NHL ROUNDUP



Steven Senne/Reuters

Montreal's Turner Stevenson checking the Bruins' Donald Audette.

SPORTS

Milan Finds Grass Is Greener, Wins 3-0 On Relaid Home Turf

In England, Ferdinand Saves League Leaders

Reuters

AC Milan, starting the year in dynamic form on a newly laid pitch, brushed aside Sampdoria, 3-0, Sunday. The victory puts Milan 3 points clear in the Italian first division because Fiorentina tied at Roma.

First-half goals by Christian Panucci and Dejan Savicevic and a brilliant 56th minute strike by Roberto Baggio gave Milan its first home victory in three matches.

EUROPEAN SOCCER

Milan had paid $250,000 to have their pitch resurfed in time for their opening game of the New Year after coach Fabio Capello had complained that the poor condition had handicapped his team's bid to regain the Italian title.

In the end, bad weather left the surface heavy and waterlogged.

In Rome, Abel Balbo, the Argentinian striker, scored in the fifth and 50th minutes to put Roma up, 2-0, but Fiorentina rose to the challenge, with Anselmo Robbiati scoring in the 61st and then Balbo's compatriot Gabriel Batistuta hitting the equalizer in the 70th.

The goal made Batistuta the league's top scorer with 11, ahead of Bari's Igor Protti and Udinese's Oliver Bierhoff, who also scored on Sunday, with 10.

Parma stayed third after being held to a 2-2 draw at Torino, while Lazio's challenge faltered. It lost 1-0 to Napoli after Alen Boksic was sent off for a foul in the 40th minute.

Parma, whose season has failed to live up to expectations, twice took the lead but conceded two goals through poor defending despite dominating the match.

Torino had midfielder Paolo Cristallini sent off in the 69th minute but it merely spurred them on and French defender Jocelyn Angloma grabbed the equalizer after 78 minutes.

Juventus, given a ferocious dressing down after the New Year break by coach Marcello Lippi, won 1-0 at Atalanta, the side that knocked them out of the Italian Cup last October.

Striker Fabrizio Ravanelli, who had looked a prime candidate to be dropped, scored with a 58th minute penalty.

ENGLAND An equalizer from Les Ferdinand after three minutes of injury time earned English premier league leaders Newcastle a 1-1 draw with Chelsea in the third round of the F.A. Cup on Sunday.

With Chelsea seconds away from its second 1-0 home triumph of the season against Newcastle, Ferdinand took advantage of a poor clearance from Chelsea goalkeeper Dmitry Kharin and fired through his legs from an angle to force the replay.

Chelsea had taken the lead with a 35th-minute goal from Mark Hughes.

Cup holders Everton also faces a replay after being held to a 2-2 home tie by second division Stockport, which twice came from behind to draw level.

Leeds United fell behind 2-0 at first division leaders Derby County early in the second half but won, 4-2. Gary McAllister scored in the 90th minute to put Leeds in front and Ghanaian striker Tony Yeboah added another in injury time.

SPAIN Two goals from Jordi Lardin gave Espanyol a 2-0 home victory over Valencia on Sunday, which keeps it within sight of Spanish league leaders Atletico Madrid. Atletico beat Tenerife, 3-1, on Saturday. Lardin scored an individual goal on the half-hour and rounded off a fine all-round performance when he gave Valencia keeper Andoni Zubizarreta no chance midway through the second period.

Valencia stayed fifth, followed by Real Madrid, which squandered a 2-0 lead at lowly Merida.

Real had Paco Buyo to thank for a point in their rain-soaked 2-2 tie after the veteran goalkeeper made a spectacular penalty save from Merida's Antonio Reyes 15 minutes from time.

Compostela won 1-0 against the run of play at Sevilla thanks to a late goal by Nigerian international forward Christopher Ohen. Compostela moved to third, above Barcelona, which lost 1-0 to Compostela's Galician neighbors, Celta Vigo.

At Santander, the lead changed hands three times in the 5-5 tie between Racing, the home team, and Albacete.

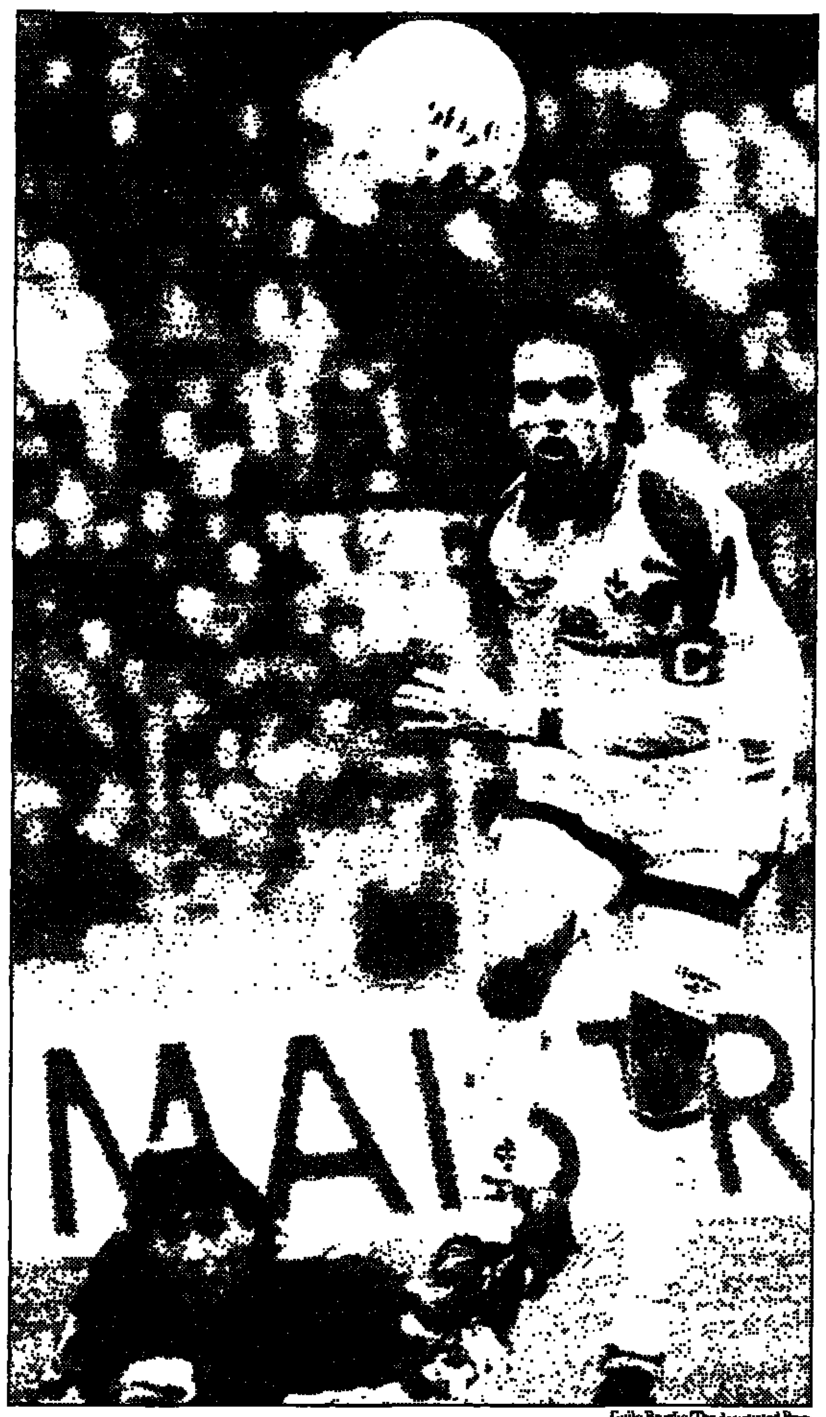
■ Germans Keep Foreign Limit

German clubs agreed Sunday to a "voluntary" limit of three foreign players in each game as a way of circumventing a European Court of Justice ruling, the Associated Press reported from Frankfurt.

The court ruled last month that limits on the number of foreign players were illegal. The Bundesliga limits each team to three foreigners plus two who are long-time German residents.

"The Bundesliga showed solidarity. We assume, of course, that everyone will honor their word," said Egidius Braun, chairman of the governing body of German soccer.

However, Bayern Munich chairman Franz Beckenbauer said: "What will happen when a club is fighting for its life, when thousands of people are screaming in front of the clubhouse and the club has the legal right to use more foreign players?"



Gulio Broglio/The Associated Press

Fiorentina's Gabriel Batistuta beating Roma's goalie Giovanni Cervone.

Toulouse Takes First Europe Cup

Reuters

CARDIFF, Wales — French champions Toulouse captured rugby union's inaugural European Cup on Sunday when it beat Cardiff, 21-18, after extra time at National Stadium.

Toulouse scored the only two tries of the match in the first half through center Thomas Castaignede and scrum-half Jerome Cazalbou, but Cardiff fly-half Adrian Davies leveled the score at 15-15 with the final kick of normal time.

Christophe Deylaud, the Toulouse fly-half, put the French team back in front in the first period of extra time. However, Davies then landed his sixth successful penalty to bring Cardiff level again.

The contest was finally settled in the dying seconds of the second extra period when Cardiff was penalized in front of its own posts.

Deylaud calmly kicked his second penalty to earn Toulouse a deserved triumph.

The French lived up to their running reputation in the first half, racing to a 12-point lead.

Full-back Stephane Ougier set up the opening score after six minutes. Held up just short of the try line, he released the ball and Castaignede beat the cover defense into the left corner. Deylaud converted.

Toulouse's second try followed four minutes later, with Cazalbou touching down after a break down the left by Castaignede.

Next season, teams from England and Scotland also will be involved in an expanded competition.



Budi Brandstaetter/Agence France-Presse

Alberto Tomba racing to a World Cup victory in Flachau, Austria.

Andersson Gets Her First World Cup Slalom Victory

Reuters

MARIBOR, Slovenia — Kristina Andersson clinched her first World Cup slalom victory on Sunday after her Swedish teammate, Pernilla Wiberg, crashed off course.

Wiberg, Olympic combination champion, was expected to win her third slalom of the season after taking a clear lead in the first leg. But on the second leg she skidded off course halfway down the 191-meter (626-foot) Pohorje run after leaning too far on her inner ski.

Tears streamed down Andersson's face as she realized her combined time of one minute, 45.36 seconds was good enough bring her a long-awaited triumph. Andersson, 30, finished just six hundredths of a second ahead of this season's overall World Cup slalom leader, Elfi Eder of Austria.

The race brought a rare podium place for New Zealand, with Austrian-born Claudia Riegler coming third in 1:45.48.

The grueling course also claimed Switzerland's Karin Roten, who was making good time on the second leg but fell at about the same place as Wiberg — a point requiring skiers to make a sharp turn on a steep descent.

The overall World Cup leader, Martina Ertl of Germany, managed a respectable ninth place in 1:46.27.

In Saturday's giant slalom, Katja Seizinger of Germany, the Olympic downhill champion, swept to victory. Seizinger covered the icy Pohorje piste in a two-leg combined time of 2:14.30, ahead of Sonja Nef of Switzerland, who clocked 2:14.98.

In Flachau, Austria, Alberto Tomba produced another brilliant second run Sunday to sweep to his third consecutive slalom victory in the Alpine skiing men's World Cup.

Tomba was fourth going into the second leg. He burst from the start hut and stormed down the Griessenkar course, clocking the second-best time of 53.00 seconds. That gave him a combined time of 1:41.05 and his 47th career win.

Because of sunny, mild conditions, officials decided to run the top 15 skiers in reverse order rather then the top 30. But by the time Austria's Mario Reiter, the leader after the first run, went onto the deteriorating course, he was unable to protect his 0.33 second advantage and had to settle for second spot with a combined 1:41.25.

Hampered by a pulled hamstring, Slovenia's Jure Kosir finished third in 1:41.45.

The victory sealed a productive weekend for Tomba, who in Saturday's giant slalom used an equally impressive second run to move from sixth to second.

Switzerland's Urs Kaelin held off Tomba's comeback to claim his first victory in seven years. Kaelin, an Olympic silver medallist, held a comfortable 0.85-second lead over the rest of the field after the first leg. He finished with a two-run combined time of 2:18.68.

Although he has registered top-10 results in all five giant slaloms this season, Kaelin had not won a World Cup race since his only career victory in 1989.

Tomba turned in a fearless second run, vaulting into second place with a time of 2:19.19.

Within sight of the finish line, the reigning overall World Cup champion was thrown off balance but somehow regained control to register his best giant slalom result of the season.

SCOREBOARD

BASKETBALL

NBA Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	Pct	GB
Orlando	25	7	.781	—
New York	20	10	.667	4
Miami	16	14	.533	8
Washington	16	15	.516	8½
Boston	13	17	.433	11
New Jersey	12	18	.400	12
Philadelphia	6	24	.200	18
CENTRAL DIVISION				
Chicago	28	3	.903	—
Indiana	18	13	.581	10
Cleveland	17	13	.567	10½
Detroit	16	15	.516	12
Charlotte	15	17	.469	13½
Atlanta	14	17	.452	14
Milwaukee	12	19	.387	16
Toronto	9	23	.281	19½

WESTERN CONFERENCE

MIDWEST DIVISION

	W	L	Pct	GB
Houston	24	9	.727	—
San Antonio	20	9	.690	2
Utah	21	11	.656	2½
Denver	13	19	.406	10½
Dallas	8	22	.267	14½
Minnesota	8	22	.267	14½
Vancouver	6	25	.194	17
PACIFIC DIVISION				
Seattle	22	9	.710	—
Sacramento	19	9	.679	1½
L.A. Lakers	17	16	.515	6
Phoenix	13	16	.448	8
Golden State	14	18	.438	8½
Portland	14	18	.438	8½
L.A. Clippers	12	20	.375	10½

FRIDAY'S RESULTS

Cleveland 23 12 26 16—77
Boston 23 21 26 23—93

C: Brandon 9-23 3-4 22, Phills 4-12 6-8 15; B: Radja 8-18 4-5 20, Brown 6-11 4-5 18. Rebounds—Cleveland 50 (Cage 15), Boston 48 (Fox 16). Assists—Cleveland 15 (Brandon, Phills 5), Boston 27 (Fox 8).

Dallas 28 32 24 23—99
New Jersey 33 27 25 22—107

D: McCloud 8-21 2-2 21, Jackson 13-27 4-6 32; N.J.: Gilliam 11-19 4-4 26, Anderson 6-19 4-4 18. Rebounds—Dallas 46 (L.Williams 8), New Jersey 59 (J.Williams 14). Assists—Dallas 30 (Kidd 12), New Jersey 24 (Anderson 15).

Seattle 22 19 33 19—93
Orlando 38 37 26 22—115

S: Kemp 7-21 8-13 23, Hawkins 10-17 2-2 25; O: Scott 4-7 6-6 16, O'Neal 16-22 6-15 38. Rebounds—Seattle 57 (Kemp 11), Orlando 58 (O'Neal 13). Assists—Seattle 20 (McMillan, Payton 5), Orlando 29 (Grant 6).

Indiana 39 21 21 24—105
San Antonio 22 12 38 28—92

I: Miller 6-11 5-5 19, E.Johnson 9-20 5-5 26; S.A.: Elliott 8-18 8-10 28, A.Johnson 8-12 2-7 18. Rebounds—Indiana 71 (A.Davis 9), San Antonio 38 (Robinson 9). Assists—Indiana 29 (Jackson 13), San Antonio 21 (A.Johnson 6).

Portland 21 27 28 20—96
Milwaukee 29 29 26 28—113

P: C.Robinson 11-23 5-10 29, Strickland 5-14 9-13 19; M: Baker 16-28 9-10 41, G.Robinson 9-16 5-8 23. Rebounds—Portland 47 (Williams 8), Milwaukee 57 (Douglas 10). Assists—Portland 14 (Strickland 8), Milwaukee 30 (Douglas 11).

Philadelphia 17 25 23 26 11—102
Vancouver 28 27 23 13 12—103

P: Weatherspoon 8-15 4-4 20, Wright 6-13 7-8 19; V: B. Edwards 9-21 1-5 19, Anthony 8-19 1-1 16 32. Rebounds—Philadelphia 65 (Weatherspoon 20), Vancouver 49 (Avent 14). Assists—Philadelphia 25 (Ruffin 9), Vancouver 26 (Anthony 7).

Phoenix 23 24 21 20—88
L.A. Clippers 24 18 27 25—94

P: Barkley 6-15 13-14 26, Tisdale 9-12 4-4 22; L.A.: B.Williams 8-17 2-4 18, Richardson 7-14 3-3 20. Rebounds—Phoenix 51 (Barkley 12), Los Angeles 54 (Vaught 16). Assists—Phoenix 10 (Finley 4), Los Angeles 23 (Richardson 9).

Utah 32 21 27 20—100
L.A. Lakers 31 30 34 21—116

U: Malone 6-15 9-13 21, Morris 10-16 3-6 23; L.A.: Ceballos 11-14 5-7 28, Jones 9-14 6-6 25, Van Exel 10-20 2-3 26. Rebounds—Utah 47 (Morris 9), Los Angeles 48 (Divac, Jones 7). Assists—Utah 26 (Stockton 11), Los Angeles 33 (Jones, Van Exel 8).

Minnesota 21 27 27 32 12—119
Golden State 26 26 30 25 15—122

M: Gugliotta 14-17 7-10 36, Laettner 9-19 3-4 21; G: Smith 7-14 10-10 24, Seikaly 9-11 13-15 31. Rebounds—Minnesota 55 (Gugliotta 10), Golden State 54 (Seikaly 11). Assists—Minnesota 27 (Porter 14), Golden State 26 (Hardaway 7).

SATURDAY'S RESULTS

Atlanta 38 17 20 23—98
Charlotte 28 19 22 27—96

A: Long 8-14 0-0 16, Blaylock 7-14 5-8 22; C: Curry 8-17 1-1 21, Rice 6-13 7-10 21. Rebounds—Atlanta 39 (Long, Long 5), Charlotte 53 (Geiger 11) Assists—Atlanta 14 (Long, Augmon 3), Charlotte 19 (Johnson 6).

Orlando 26 25 22 21—94
Cleveland 25 30 24 26—105

O: Scott 9-15 4-4 27, Hardaway 9-16 4-5 23; C: Mills 8-13 7-9 23, Phills 9-11 0-0 20. Rebounds—Orlando 38 (Royal 7), Cleveland 44 (Cage 15). Assists—Orlando 29 (Shaw 10), Cleveland 32 (Brandon 10).

Washington 17 21 14 30—82
Detroit 27 21 31 11—90

W: Eackles 5-10 0-2 14, Pack 6-13 0-0 14; D: Hill 10-18 5-7 25, Thorpe 9-16 4-4 22, Houston 11-25 2-2 25. Rebounds—Washington 57 (McIlvaine, Howard 9), Detroit 53 (Thorpe 13). Assists—Washington 17 (Howard 5), Detroit 20 (Hill 7).

Milwaukee 17 23 21 23—84
Chicago 31 18 27 37—113

M: Baker 8-16 4-5 20, Robinson 7-16 8-9 23; C: Pippen 9-19 1-2 20, Jordan 10-20 10-12 32. Rebounds—Milwaukee 42 (Baker 12), Chicago 56 (Rodman 16). Assists—Milwaukee 15 (Douglas 6), Chicago 27 (Pippen 6).

Indiana 19 22 20 26—87
Houston 31 20 25 23—99

I: Smits 6-11 2-3 14, Miller 4-10 2-2 14; H: Olajuwon 8-18 6-6 22, Elie 5-9 4-5 16. Rebounds—Indiana 51 (McKey 7), Houston 49 (Olajuwon 15). Assists—Indiana 27 (Workman 6), Houston 27 (Drexler 7).

Miami 16 21 26 25—88
Denver 17 24 22 23—86

M: Owens 9-19 2-6 20, Mourning 12-25 14-16 38; D: D.Ellis 5-13 2-2 16, Stith 4-12 7-8 16. Rebounds—Miami 55 (Mourning 10), Denver 56 (Stith 10). Assists—Miami 21 (Coles 7), Denver 18 (Abdul-Rauf 10).

Golden State 25 32 20 29—106
Sacramento 25 35 30 25—115

G: Smith 9-20 7-8 25, Seikaly 7-14 4-4 18; S: Williams 8-19 9-13 27, Grant 10-18 2-4 22, Polynice 9-12 4-4 22, Richmond 8-14 3-4 23. Rebounds—Golden State 49 (Smith 8), Sacramento 51 (Polynice 10). Assists—Golden State 27 (Hardaway 9), Sacramento 26 (Edney 8).

Top 25 College Results

How the top 25 teams in The Associated Press' college basketball poll fared Saturday:

1, Massachusetts (12-0) beat Dayton 78-58. Next: at St. Joseph's, Tuesday; 2, Kentucky (11-1) beat Mississippi 90-60. Next: at No. 17 Mississippi State, Tuesday; 3, Memphis (8-2) lost to Houston 69-67. Next: vs. North Carolina Charlotte, Monday; 4, Kansas (10-1) beat Southern Methodist 83-61. Next: at Oklahoma State, Monday; 5, Cincinnati (9-0) beat South Florida 71-69. Next: at Southern Mississippi, Thursday.

6, Georgetown (13-1) beat Seton Hall 85-76. Next: vs. Pittsburgh at Pittsburgh Civic Arena, Tuesday; 7, Connecticut (12-1) beat Miami 73-52. Next: vs. No. 8 Villanova, Monday; 8, Villanova (12-1) beat No. 24 Boston College 94-77. Next: at No. 7 Connecticut, Monday; 9, Arizona (10-3) lost to Stanford 80-71. Next: vs. Arizona State, Wednesday; 10, Iowa (12-2) beat Minnesota 92-63. Next: vs. Ohio State, Wednesday.

12, Wake Forest (8-1) beat Florida State 75-73, OT. Next: at No. 19 Duke, Wednesday; 13, Illinois (11-3) lost to Michigan State 68-58. Next: at No. 21 Michigan, Tuesday; 14, Georgia (10-2) lost to South Carolina 85-73. Next: at Auburn, Saturday.

16, North Carolina (11-2) beat Maryland 88-86, OT. Next: vs. Georgia Tech at the Omni, Wednesday; 17, Mississippi State (10-1) beat Florida 69-66. Next: vs. No. 2 Kentucky, Tuesday; 20, UCLA (9-3) beat Washington 78-70. Next: vs. Stanford, Thursday.

21, Michigan (11-4) beat Northwestern 83-51. Next: vs. No. 13 Illinois, Tuesday; 23, Texas (7-4) lost to Rice 80-69. Next: vs. Rhode Island at the Providence Civic Center, Tuesday; 24, Boston College (9-3) lost to No. 8 Villanova 94-77. Next: vs. Notre Dame, Tuesday.

Major College Scores

SATURDAY'S RESULTS

EAST

Army 74, Wofford 71
Boston U. 69, Vermont 55
Bucknell 80, Cornell 59
Columbia 76, Lehigh 69
Delaware 57, New Hampshire 52
George Washington 87, Duquesne 59
Harvard 59, Dartmouth 40
Maine 85, Towson St. 72
Manhattan 73, Colgate 60
Penn 57, Princeton 55
Pittsburgh 84, West Virginia 83, OT
Providence 82, St. John's 78
Rhode Island 93, Fordham 60
Siena 83, Holy Cross 78

SOUTH

Ala.-Birmingham 71, Tulane 70
Auburn 101, Arkansas 76
Davidson 87, Navy 58
LSU 99, Alabama 77
Texas A&M 67, Georgia Southern 63
Va. Commonwealth 85, Old Dominion 70
Vanderbilt 65, Tennessee 55
Virginia 73, N. Carolina St. 69
William & Mary 96, James Madison 71

MIDWEST

Indiana 89, Ohio St. 67
Kansas St. 72, Iowa St. 55
Missouri 77, Colorado 66
Nebraska 69, Long Beach St. 68
Ohio U. 65, Miami, Ohio 56
Toledo 92, Ball St. 69
Tulsa 67, Evansville 57
Wis.-Green Bay 71, Cleveland St. 57

FAR WEST

Baylor 93, Hardin-Simmons 47
Boise St. 61, Pepperdine 58
California 97, Arizona St. 82
Loyola Marymount 67, N. Arizona 61
New Mexico St. 83, Nevada 68
San Diego 75, San Francisco 66
Southern Cal 83, Washington St. 81

HOCKEY

NHL Standings

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
N.Y. Rangers	26	11	7	59	161	123
Florida	26	12	2	54	139	103
Philadelphia	23	11	7	53	146	103
Washington	19	17	4	42	111	104
Tampa Bay	17	17	6	40	116	139
New Jersey	17	19	4	38	100	102
N.Y. Islanders	10	22	7	27	112	147
NORTHEAST DIVISION						
Pittsburgh	26	11	3	55	194	123
Montreal	19	18	3	41	122	127
Buffalo	18	19	3	39	123	132
Boston	16	15	6	38	135	137
Hartford	13	22	5	31	99	129
Ottawa	8	31	1	17	95	160

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	28	8	3	59	146	83
Toronto	21	14	7	49	133	118
Chicago	20	14	8	48	138	120
St. Louis	18	17	5	41	106	105
Winnipeg	17	20	3	37	143	151
Dallas	11	18	8	30	98	119
PACIFIC DIVISION						
Colorado	22	13	6	50	161	117
Los Angeles	16	16	9	41	141	133
Vancouver	14	15	10	38	145	136
Anaheim	15	22	4	34	121	137
Calgary	13	22	7	33	119	137
Edmonton	13	22	6	32	108	163
San Jose	8	28	4	20	118	183

FRIDAY'S RESULTS

Hartford 4, Ottawa 2
Pittsburgh 5, Detroit 2
Buffalo 3, Toronto 1
N.Y. Rangers 4, Washington 4
Dallas 5, Winnipeg 4
Anaheim 3, Calgary 1
Florida 3, Edmonton 2
Los Angeles 5, San Jose 2

SATURDAY'S RESULTS

Boston 5, Hartford 2
N.Y. Islanders 5, Ottawa 4
Buffalo 7, Montreal 6
New Jersey 3, Washington 1
Toronto 5, Colorado 2
Detroit 3, Chicago 0
Calgary 2, Florida 0
St. Louis 3, Pittsburgh 2
Vancouver 9, Tampa Bay 2
Los Angeles 7, San Jose 5

TENNIS

AMWAY CLASSIC

IN AUCKLAND

FINAL

Sandra Cacic, United States, def. Barbara Paulus (2), Austria, 6-3, 1-6, 6-4

AUSTRALIAN HARDCOURT

IN ADELAIDE

SEMIFINALS

Byron Black (8), Zimbabwe, def. Martin Damm, Czech Republic, 7-5, 6-3; Yevgeny Kafelnikov (1), Russia, def. Javier Frana, Argentina, 7-5, 6-1.

FINAL

Kafelnikov def. Black, 7-6 (7-0), 3-6, 6-1.

QATAR OPEN

IN DOHA

SEMIFINALS

Petr Korda, Czech Republic, def. David Prinosil, Germany, 6-7 (4-7), 6-1, 6-3.

Younes el Aynaoui, Morocco, def. Thomas Muster (1), Austria, 6-4, 6-4.

FINAL

Korda def. Younes al-Aynaoui; 7-6 (7-5) 2-6 7-6 (7-5).

SKIING

World Cup Results

MEN'S GIANT SLALOM

Results of Saturday's race in Flachau, Austria with skier, country, two heat times and total time: 1, Urs Kaelin, Switzerland (1:05.97 - 1:12.71) minutes, 18.68 seconds; 2, Alberto Tomba, Italy (1:07.04 - 1:12.15) 2:19.19; 3, Michael Von Gruenigen, Switzerland (1:06.81 - 1:12.42) 2:19.23; 4, Steve Locher, Switzerland (1:07.00 - 1:12.42) 2:19.42; 5, Lasse Kjus, Norway (1:07.24 - 1:12.43) 2:19.67; 6, Christian Mayer, Austria (1:06.72 - 1:13.10) 2:19.82; 7, Hans Knaus, Austria (1:07.50 - 1:12.41) 2:19.91; 8, Fredrik Nyberg, Sweden (1:06.93 1:13.17) 2:20.10; 9, Mario Reiter, Austria (1:07.43 - 1:12.69) 2:20.12; 10, Christophe Saoni, France (1:07.27 - 1:12.99) 2:20.26.

Giant Slalom Standings (After 6 races): 1, Michael von Grunigen, Switzerlan 520; 2, Lasse Kjus, Norway, 435; 3, Urs Kalin, Switzerland, 341; 4, Hans Knauss, Austria, 282; 5, Fredrik Nyberg, Sweden, 216; 6, Steve Locher, Switzerland, 212; 7, Alberto Tomba, Italy, 176; 8, Mario Reiter, Austria, 158; 9, Christian Mayer, Austria, 153; 10, Christophe Saloni, France, 139.

MEN'S SLALOM

Results of Sunday's race in Flachau, Austria: 1, Alberto Tomba, Italy (48.05 - 53.00) 1 minute, 41.05 seconds; 2, Mario Reiter, Austria (47.69 - 53.56) 1:41.25; 3, Jure Kosir, Slovenia (48-02 -53.43) 1:41.45; 4, Thomas Sykora, Austria (48.84 - 52.64) 1:41.48; 5, Sebastian Amiez, France (48.70 - 53.26) 1:41.96; 6, Finn Christian Jagge, Norway (48.04 - 53.93) 1:41.97; 7, Ole Christian Furuseth, Norway (48.95 - 53.29) 1:42.24; 8, Michael Von Gruenigen, Switzerland (48.77 - 53.52) 1:42.29; 9, Kjetil Andre Aamodt, Norway (49.09 - 53.37) 1:42.46; 10, Lasse Kjus, Norway (49.08 - 53.72) 1:42.80

Slalom Standings (After 5 races): 1, Alberto Tomba, Italy, 360 points; 2, Sebastien Amiez, France, 285; 3, Jure Kosir, Slovenia, 225; 4, Mario Reiter, Austria, 194; 5, Finn Christian Jagge, Norway, 166; 6, Christian Mayer, Austria, 154; 7, Fabio De Crignis, Italy, 153; 8, Andrej Miklavc, Slovenia, 144; 9, Lasse Kjus, Norway, 116; 10, Yves Dimier, France, 112.

Overall Standings (After 17 Races): 1, Lasse Kjus, Norway, 956 points; 2, Michael Von Gruenigen, Switzerland, 590; 3, Alberto Tomba, Italy, 536; 4, Hans Knaus, Austria, 426; 5, Fredrik Nyberg, Sweden, 359; 6, Mario Reiter, Austria, 352; 7, Urs Kaelin, Switzerland, 341; (tie), Jure Kosir, Slovenia, 341; 9, Guenther Mader, Austria, 329; 10, Christian Mayer, Austria, 307.

WOMEN'S GIANT SLALOM

Results of Saturday's race in Maribor, Slovenia (heat times in parentheses): 1, Katja Seizinger, Germany, (1 minute, 8.43 seconds; 1 minute, 5.87 seconds) 2 minutes, 14.3 seconds; 2, Sonja Nef, Switzerland, (1:08.36; 1:06.62), 2:14.98; 3, Martina Ertl, Germany, (1:08.69; 1:06.32), 2:15.01; 4, Deborah Compagnoni, Italy, (1:08.40; 1:06.75), 2:15.15; 5, Mojca Suhadolc, Slovenia, (1:09.14; 1:06.22), 2:15.36; 6, Anita Wachter, Austria, (1:09.66; 1:06.23), 2:15.89; 7, Michaela Dorfmeister, Austria, (1:09.24; 1:06.83), 2:16.07; 8, Erika Hansson, Sweden, (1:09.50; 1:06.75), 2:16.25; 9, Sabina Panzanini, Italy, (1:09.80; 1:06.91), 2:16.71; 10, Karin Roten, Switzerland, (1:09.45; 1:07.93), 2:17.38.

Giant Slalom Standings (after 4 races): 1, Martina Ertl, Germany, 360 points; 2, Katja Seizinger, Germany, 200; 3, Anita Wachter, Austria, 190; 4, Sabina Panzanini, Italy, 183; 5, Sonja Nef, Switzerland, 181; 6, Mojca Suhadolc, Slovenia, 154; 7, Karin Roten, Switzerland, 150; 8, Deborah Compagnoni, Italy, 130; 9, Alexandra Meissnitzer, Austria, 115; 10, Erika Hansson, Sweden, 114.

WOMEN'S SLALOM

Results of Sunday's race in Maribor, Slovenia: 1, Kristina Andersson, Sweden, (53.13 seconds; 52.23 seconds), 1 minute, 45.36 seconds; 2, Elfi Eder, Austria (52.91; 52.51), 1:45.42; 3, Claudia Riegler, New Zealand, (53.14; 52.34), 1:45.48; 4, Marianne Kjoerstad, Norway, (53.45; 52.48), 1:45.93; 5, Anita Wachter, Austria, (53.69; 52.27), 1:45.96; 6, Urska Hrovat, Slovenia, (52.82; 53.22), 1:46.04; 7, Martina Accola, Switzerland, (52.85; 53.28), 1:46.13; 8, Patricia Chauvet, France, (54.10; 52.04), 1:46.14; 9, Martina Ertl, Germany, (54.14; 52.13), 1:46.27; 10, Deborah Compagnoni, (54.51; 51.79), 1:46.30.

Slalom Standings (after 6 races): 1, Elfi Eder, Austria, 440; 2, Kristina Andersson, Sweden, 270; 3, Marianne Kjoerstad, Norway, 264; 4, Martina Accola, Switzerland, 246; 5, Urska Hrovat, Slovenia, 232; 6, Pernilla Wiberg, Sweden, 200; 7, Katja Koren, Slovenia, 176; 8, Claudia Riegler, New Zealand, 161; 9, Anita Wachter, Austria, 154; 10, Karin Roten, Switzerland, 137.

Overall World Cup Standings: 1, Martina Ertl, Germany, 642 points; 2, Anita Wachter, Austria, 634; 3, Katja Seizinger, Germany, 573; 4, Alexandra Meissnitzer, Austria, 503; 5, Elfi Eder, Austria, 440; 6, Michaela Dorfmeister, Austria, 411; 7, Marianne Kjoerstad, Norway, 341; 8, Picabo Street, United States, 328; 9, Heidi Zurbriggen, Switzerland, 314; 10, Pernilla Wiberg, Sweden, 302.

CRICKET

WORLD SERIES CUP

WEST INDIES VS. AUSTRALIA

SUNDAY, IN BRISBANE

West Indies innings: 231 (all out, 49.3 overs)
Australia innings: 217 (47.4 overs)
Result: West Indies won by 14 runs.

SOCCER

FA CUP

THIRD ROUND

Chelsea 1, Newcastle 1
Derby 2, Leeds 4
Everton 2, Stockport 2
Southampton 3, Portsmouth 0
Arsenal 1, Sheffield United 1
Barnsley 0, Oldham 0
Birmingham 1, Wolves 1
Bradford 0, Bolton 3
Charlton 2, Sheffield Wednesday 0
Crewe 4, West Bromwich Albion 3
Crystal Palace 0, Port Vale 0
Fulham 1, Shrewsbury 1
Gravesend 0, Aston Villa 3
Grimsby 7, Luton 1
Hereford 1, Tottenham 1
Huddersfield 2, Blackpool 1
Ipswich 0, Blackburn 0
Leicester 0, Manchester City 0
Liverpool 7, Rochdale 0
Manchester United 2, Sunderland 2
Millwall 3, Oxford United 3
Norwich 1, Brentford 2
Notts County 1, Middlesbrough 2
Peterborough 1, Wrexham 0
Plymouth 1, Coventry 3
Reading 3, Gillingham 1
Stoke 1, Nottingham Forest 1
Swindon 2, Woking 0
Tranmere 0, Queens Park Rangers 2
Walsall 1, Wigan 0
Watford 1, Wimbledon 1
West Ham 2, Southend 0

SCOTTISH PREMIER DIVISION

Celtic 1 Motherwell 0
Falkirk 0 Rangers 4
Partick 0 Hearts 1
Raith 1 Kilmarnock 1

SPANISH FIRST DIVISION

Racing de Santander 5, Albacete 5
Sporting de Gijon 3, Salamanca 2
Sevilla 0, Compostela 1
Espanyol 2, Valencia 0
Celta de Vigo 1, Barcelona 0
Deportivo de La Coruna 0, Betis 0
Valladolid 2, Oviedo 2
Merida 2, Real Madrid 2
Zaragoza 1, Rayo Vallecano 1 Atletico de Madrid 3, Tenerife 1
Athletic de Bilbao 0, Real Sociedad 0

STANDINGS Atletico Madrid 48 points, Espanyol 41, Compostela 39, Barcelona 38, Valencia 33, Real Madrid 32, Deportivo La Coruna 31, Real Betis 31, Tenerife 29, Celta Vigo 27, Athletic Bilbao 27, Real Zaragoza 24, Sporting Gijon 23, Real Sociedad 23, Sevilla 22, Real Oviedo 21, Racing 21, Albacete 20, Rayo Vallecano 19, Salamanca 18, Merida 18, Real Valladolid 14.

ITALIAN FIRST DIVISION

Atalanta 0, Juventus 1
Cagliari 0, Padova 1
AC Milan 3, Sampdoria 0
Napoli 1, Lazio of Rome 0
Piacenza 0, Udinese 2
AS Roma 2, Fiorentina 2
Torino 2, AC Parma 2
Vicenza 1, Cremonese 0

RUGBY

RUGBY UNION EUROPEAN CUP

FINAL

Toulouse 21, Cardiff 18

Scorers: Toulouse — Tries: Thomas Castaignede, Jerome Cazalbou. Conversion: Christophe Deylaud. Penalties: Deylaud (2). Drop-goal: Deylaud; Cardiff — Penalties: Adrian Davies (6).

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

BALTIMORE—Signed Pat Dobson, pitching coach; Rick Down, hitting coach; Andy Etchebarren, bench coach; Elrod Hendricks, bullpen coach; Sam Perlozzo, third base coach; and John Stearns, first base coach, to 1-year contracts.

BOSTON—Signed Chuck Ricci, pitcher.

CALIFORNIA—Agreed to terms with Dennis Springer, pitcher, on minor-league contract.

CLEVELAND—Agreed to terms with Mario Diaz and Steve Dunn, infielders, on minor-league contracts.

TEXAS—Agreed to terms with Gil Heredia, pitcher, on 1-year contract.

NATIONAL LEAGUE

CHICAGO—Named David Wilder director of minor leagues.

COLORADO—Agreed to terms with Don Baylor, manager, on 2-year contract extension through the 1998 season. Invited Scott Fredrickson, Doug Million and Jamey Wright, pitchers; Ben Petrick, Will Scalzitti and Mark Strittmatter, catchers; Pedro Castellano, Todd Helton, David Kennedy, Neifi Perez and Chris Sexton, infielders; and Angel Echevarria and Derrick Gibson, outfielders, to spring training.

THE WEEK AHEAD

MONDAY, JANUARY 8

OLYMPIC SPORTS Sigulda, Latvia — luge, European Championships, through Jan. 14.

BASEBALL Cooperstown, New York — Hall of Fame voting announced.

TENNIS Hobart, Australia — Tasmanian Women's Open, through Jan. 14; Sydney, Australia — men, women, New South Wales Open, through Jan. 14; Jakarta, Indonesia — men, Jakarta Open, through Jan. 14; Auckland, New Zealand — men, Bellsouth New Zealand Open, through Jan. 14; Kenya — Davis Cup, Euro/African zone group three playoff, through Jan. 14.

YACHTING Brisbane, Australia — Tornado Class World Championship, through Jan.13.

TUESDAY, JANUARY 9

SKIING Strbske Pleso, Slovakia — Nordic World Cup, cross-country, men's 50K, women's 30K.

CRICKET Cape Town, South Africa — South Africa vs. England, one-day international; Melbourne, Australia — Australia vs. Sri Lanka, World Series day-night match.

BOXING Galveston, Texas — Larry Holmes, U.S. vs. Curt Shepard, U.S., non-title heavyweight bout.

YACHTING Rio de Janeiro — Star Class World Championship, through Jan. 21.

WEDNESDAY, JANUARY 10

SWIMMING Beijing — World Cup swimming, through Jan.11.

CRICKET Sydney, Australia — Australia vs. West Indies, World Series day/night match; Melbourne, Australia — West Indies vs. Australia A.

SOCCER Los Angeles, San Diego, Anaheim, California — CONCACAF Gold Cup, through Jan. 27.

THURSDAY, JANUARY 11

CRICKET Bloemfontein, South Africa — South Africa vs. England, one-day international.

OLYMPIC SPORTS Antholz, Italy — biathlon, men, women, World Cup meet, through Jan. 14.

GOLF Tucson, Arizona — golf, men, PGA Tour, Northern Telecom Open, through Jan. 14; Orlando, Florida — golf, women, LPGA, Tournament of Champions, through Jan. 14; Hong Kong — golf, men, Asian PGA Championship, through Jan. 14.

SKIING Oberwiesenthal, Germany—World Cup Nordic combined

BASKETBALL Various Sites— Men's European Clubs' Championship basketball, semifinal series

FRIDAY, JANUARY 12

SKIING Kitzbuhel, Austria — men, Alpine World Cup, downhill, slalom and combined, through Jan. 14; Blackcomb, British Columbia — Freestyle World Cup, acroski, moguls, aerials and combined, through Jan. 14.

SKATING Davos, Switzerland — speed-skating, men, women, World Cup, 500, 1,000, 1,500, 3,000, 5,000 meters, through Jan. 14.

CRICKET Perth, Australia — Australia vs. Sri Lanka, World Series day-night match.

SATURDAY, JANUARY 13

SOCCER Johannesburg, South Africa — African Nations Cup, through Feb. 3.

CRICKET Johannesburg, South Africa — South Africa vs. England, one-day international; Hamilton, New Zealand — New Zealand vs. Zimbabwe, first test, through Jan. 17.

SKIING Garmisch-Partenkirchen, Germany — women, Alpine World Cup, slalom and super-g, through Jan. 14; Nove Mesto, Czech Republic — men, women, Nordic World Cup, cross-country, men's 15K and 40K relay, women's 10K and 20K relay, through Jan. 14; Strbske Pleso, Slovakia — Nordic World Cup, Nordic combined, through Jan. 14; Engelberg, Switzerland — ski jumping, Nordic World Cup, large hill.

FOOTBALL Stanford, California — NCAA, U.S. College, East-West Shrine Classic.

SKATING San Jose, California — figure skating, U.S. Championships, through Jan. 21.

BOXING Miami — boxing, Frankie Randall (holder), U.S. vs. Juan Martin Coggi, Argentina, 12-round bout for WBA junior welterweight title; Hi-Yong Choi (holder), South Korea, vs. Carlos Murillo, Mexico 12-round bout for WBA junior flyweight title.

SUNDAY, JANUARY 14

CRICKET Pretoria, South Africa — South Africa vs. England, one-day international; Perth, Australia — Sri Lanka vs. West Indies, World Series match.

ATHLETICS Amorebieta, Spain — IAAF, cross-country meet, Zornotza International.

AUTO RACING Dakar, Senegal — auto racing, Granada-to-Dakar Rally, final leg.

FOOTBALL Various Sites — NFL AFC and NFC Championship games.